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Oskar Lafontaine, finance minister and Social Democratic leader, who quit after a cabinet showdown with Chancellor Gerhard Schroeder.

By William Drozdik  
*Washington Post Service*

BERLIN — Oskar Lafontaine resigned from his posts as finance minister and party leader of the governing Social Democrats on Thursday after losing a power struggle that had caused disarray in the ranks of Chancellor Gerhard Schroeder's government for five months.

The surprise decision came in the wake of a bitter showdown between Mr. Schroeder and Mr. Lafontaine at a cabinet meeting Wednesday in which the chancellor accused his rival of committing "strategic errors" by alienating many German business leaders with his leftist economic policies.

In a terse statement on Thursday night that scarcely concealed the tensions between the two political rivals, Mr. Schroeder expressed our thanks for Mr. Lafontaine's work and announced that the Social Democratic president would hold a special session

Friday to choose its next chairman. Senior aides said Mr. Schroeder would put his own name forward as the new party leader, which should help him consolidate power in a bid to shift toward a more pragmatic and moderate course for his government.

As a sign of his intentions, officials said Mr.

Until Thursday, the German government had been an unwieldy two-headed creature. Page 6.

Schroeder would most likely name Hans Eichel, a prominent Social Democrat, to the Finance Ministry post.

Mr. Lafontaine's demise was welcomed on financial and stock markets as investors anticipated more favorable policies. The euro, which will soon replace the German mark and 10 other European currencies, rose Thursday after having lost one-tenth of its value

against the dollar since January, largely because of worries about the fate of the German economy.

While Mr. Schroeder appeared to be stunned by Mr. Lafontaine's departure, political sources said he was elated by the opportunity to resolve a persistent split in his government that has sown confusion over the true nature of Germany's leadership and its policies.

Although the chancellor may have won the power battle with his arch-nemesis within the party, he will no longer be able to exploit Mr. Lafontaine as a lightning rod for criticism. Aides said Mr. Schroeder realizes that he will now be held fully accountable by his party and by German voters — for the fate of his government policies.

But his long-standing promises to modernize Germany's economy and create new jobs for a labor force where more than 11 percent of all workers are now unemployed will remain difficult challenges to

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## A Historic Day for European Geopolitics

NATO Awaits 3 States From Ex-Soviet Bloc

By Steven Erlanger  
*New York Times Service*

WARSAW — Poland, Hungary and the Czech Republic will formally join NATO on Friday, having barely met the alliance's minimum military requirements for integrated air defense, security procedures and foreign language training.

But few doubt that they will bring real military benefits to the alliance over the next 5 to 10 years, as they make the slow shift from heavily armored and over-officered Warsaw Pact forces to more mobile, flexible and smaller Western armies.

They are already contributing with peacekeepers, logistics and intelligence to NATO's complicated efforts to pacify the Balkans.

By their history and geography, these new members will help to protect and even spread Western values of democracy and market economics in the shakier, frontier states between themselves and Russia's vast uncertainties.

They are, however, also eager to consolidate these same values at home, both to build up their own sense of confidence and that of foreign investors. It is not just three militaries that are joining NATO, but three states, whose leaders all welcome the moral standard NATO provides for their transnational and still turbulent post-Communist societies.

In a direct benefit for the United States, which pushed their membership the hardest, these new members will also provide strong support for Washington's aims inside NATO, officials of all three countries suggest.

Six weeks before NATO's 50th an-

niversary summit in Washington — where the Champagne and the rhetoric will flow in equally excessive quantities — NATO members are arguing about the alliance's future in a world where the threats to European security stem more from terrorism and instability, both ethnic and political, as in Kosovo, than from any traditional adversary, like Russia.

But for all three countries — and especially Poland, intermittently trampled by the Germans or the Russians — NATO membership provides not only real security, but also a sense of homecoming, a direct and unbreakable connection to the center of European civilization after a wretched century.

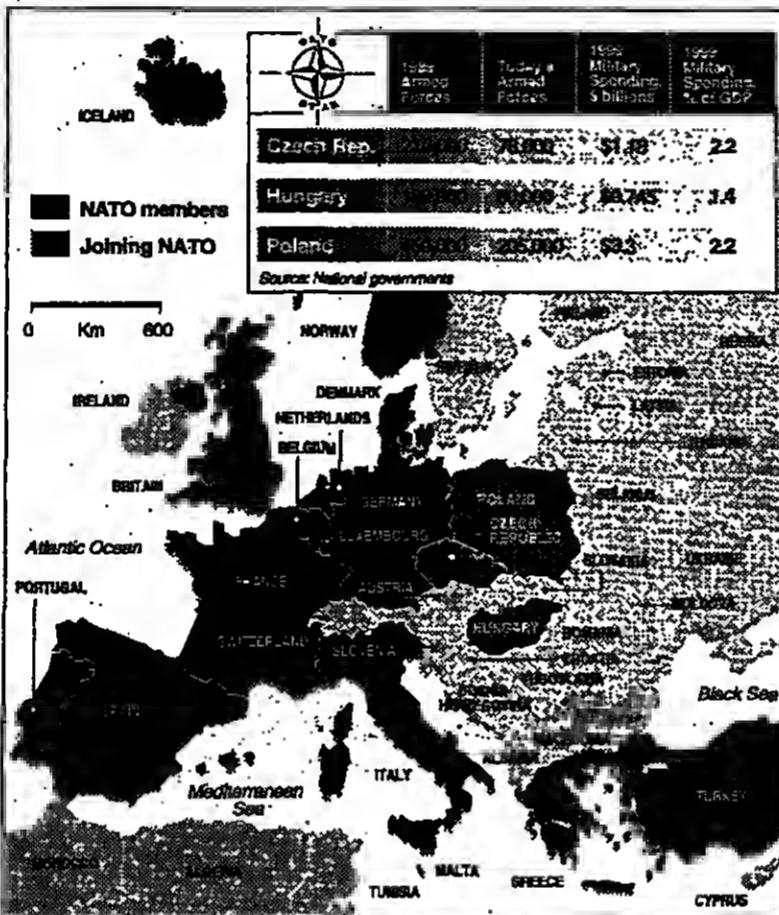
Foreign Minister Bronislaw Geremek, a soulful historian of the medieval world, compares the importance of NATO accession to Poland's conversion to Christianity.

For President Alexander Kwasniewski, a former Communist and an altogether brasher politician, NATO means the end to the Yalta conference's division of Europe, when the West let Stalin draw lines of influence through Europe.

"This is the most important moment in our history," Mr. Kwasniewski said. "We are entering NATO, we are returning to the place which is our proper home. Being in NATO means not only security for ourselves, but also our willingness to share risks about the future of Europe."

For the Czech president, Vaclav Havel, who was in jail 10 years ago, NATO means that "we will have a solid security anchoring for the first

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### A New Era for Ins and Outs of the Alliance

Those countries left out of the NATO expansion feel now that, in spite of their disappointment over the delay, their security has been enhanced by the bridging of the former East and West military blocs.

Poland and Germany, two countries that lived for centuries back to back in hostility, suspicion, invasions and war, are now merging some military units, training programs and standardizing equipment and facilities. Page 2.

## Clinton Apologizes for U.S. Policy in Guatemala War

By John M. Broder  
*New York Times Service*

GUATEMALA CITY — President Bill Clinton has apologized for U.S. support for rightist governments in Guatemala that killed tens of thousands of rebels and Mayan Indians in a 36-year civil war, and he promised American support for national reconciliation.

At a forum with Guatemalan leaders, Mr. Clinton said: "For the United States, it is important that I state clearly that support for military forces and in-

telligence units which engaged in violence and widespread repression was wrong, and the United States must not repeat that mistake."

He made the statement in his opening remarks Wednesday to an informal gathering of leaders from many sectors of Guatemalan society, including prominent Indians, women, government officials and representatives of a truth commission that recently issued a report on the civil war.

A commission report, released late in February, concluded that the United

States had given money and training to Guatemalan forces that committed acts of genocide against Mayans and other extreme human-rights abuses during the brutal conflict here, which began in 1960.

CIA involvement in Guatemala's campaign of terror against Mayan and leftist insurgents had long been an open secret, but the report of the Historical Clarification Commission confirmed the CIA's participation in a civil war that killed more than 200,000 people.

The report said that American training

of Guatemalan military officers in counterinsurgency techniques had played a significant role in the torture, kidnapping and execution of thousands of civilians.

American officials previously endorsed the findings of the commission, but no president had directly confronted the U.S. role in the war's atrocities.

Mr. Clinton on Wednesday praised Guatemala as a society that was coming to terms with its painful past and was moving forward.

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Albright Rejects Attack On Policy Toward China

By Eric Schmitt  
*New York Times Service*

WASHINGTON — Secretary of State Madeleine Albright is seeking to defend U.S. policy toward China in the face of concerted Republican attacks on the Clinton administration's handling of suspicions that China stole nuclear technology from the Los Alamos laboratory.

Mrs. Albright, testifying Wednesday before a House panel less than a week after visiting China, said that the theft of nuclear secrets from the lab was a "very serious issue" that the CIA was assessing. But she argued that it should not dominate efforts to remain engaged with Beijing on a variety of issues from human rights to trade policy, which the administration is trying to negotiate separately. Leading congressional Republicans were unswayed by that argument, as they have been from the start. Instead they went on the attack, accusing the administration of not taking the theft seriously enough at first and then not adequately briefing Congress.

Senators Richard Lugar of Indiana and Trent Lott of Mississippi, the ma-

jority leader, demanded better explanations from Congress. The uproar, inevitably, bled into the political arena, with two presidential hopefuls, Patrick Buchanan and Steve Forbes, each accusing President Bill Clinton's national security adviser, Samuel (Sandy) Berger, of "dereliction of duty," and demanding that he resign for failing to keep Congress adequately informed about the theft.

The administration says it briefed lawmakers beginning in 1996 on suspicions that China had acquired important nuclear bomb-building technology from Los Alamos.

[China bristled at the charge of military espionage. On Thursday, the Foreign Ministry spokesman, Zhu Bangzao, said the allegation was "groundless and extremely irresponsible." Agence France-Presse reported from Beijing: "We hope the U.S. government can take effective measures to reduce trouble and remove obstacles to ensure the stable development of China-U.S. relations," he said.]

Mr. Berger, traveling with Mr. Clin-

See ALBRIGHT, Page 6

### AGENDA

#### Senate Panel Urges More Embassy Safety

WASHINGTON (Reuters) — A Senate panel called on Thursday for more spending on security at U.S. embassies and questioned the Clinton administration's reaction after last year's embassy bombings in Africa.

Senators in both parties said the administration's new spending re-

quests for security improvements at U.S. embassies were insufficient, given the clear and growing threat of international terrorism.

The panel recommended that the government spend \$1.4 billion a year for the next 10 years to make U.S. embassies safer.

FARM FEUD — Luc Guyau, representing farm unions, reacting negatively Thursday to an agreement by farm ministers to reform EU agricultural policy. The accord must be approved at a Berlin summit this month. Page 7.



## Indonesian Religious Tension Boils Over

*Christians and Muslims Search for Reasons to Explain Sudden Violence*

By Atika Shubert  
*Washington Post Service*

AMBON CITY, Indonesia — For more than 30 years, President Suharto kept a lid on simmering tensions in this sprawling island nation. But the explosion of violence between Christians and Muslims in the remote province of the Moluccas since January has called into question Indonesia's ability to maintain harmony since Mr. Suharto's resignation in May.

It takes only a brief visit to the port in this provincial capital 2,250 kilometers

(1,400 miles) east of Jakarta to see the chaos. Ten thousand refugees have clawed their way onto the docks, fighting for space aboard the only vessel not of the province — and the chance to leave comes only once every three days.

Usman, an 81-year-old refugee in Ambon's al Fattah Mosque, stared at the only items left after mobs burned down his home: an unmatched set of dingy plates and forks and spoons he hopes to sell for a ticket out of the mayhem.

Not far away, 48-year-old David, a Christian trader, made the difficult de-

cision to send his elderly mother and 10-year-old son to safety in a neighboring province and to keep his wife and 16-year-old daughter with him as he faces the prospect of more violence.

Neither Usman nor David ever thought this would happen that their long-peaceful homes would explode into the sort of violence that killed more than 200 people in one month.

"We don't want to leave. This is our home, with our neighbors and friends," David said. "I was born here, and I have never seen anything like this. We are all the same people, but I can't understand why this is happening."

Few can offer reasons for the sectarian violence, the worst in Indonesia in decades. Explanations range from the simplest of motives, revenge, to a more complex historical dynamic involving the pattern of Muslim migration into the once predominantly Christian island chain of Moluccas, also known as the Spice Islands.

In addition, there has been a breakdown in the authority of the military, which under Mr. Suharto maintained control by brutal methods but lately has been fending off accusations of human rights abuses.

Islam and Christianity have lived side

## Japan Recession Over, Some Say, as Economy Stirs

By Sheryl WuDunn  
*New York Times Service*

NAKANOJOMACHI, Japan — Bulldozers and tall cranes are popping up around the country, raising hopes that Japan may finally be close to lifting itself out of recession.

No other country has ever poured as much money — more than \$830 billion in the last 12 months alone — into economic revival as has Japan, and much of that money is now sloshing around the country and creating a noticeable impact. Here in this village in central

Japan, as in much of the country, construction crews are again busy, small companies are getting loans again and some people are feeling a tad more confident.

Japanese leaders have traditionally funneled money into brick-and-mortar projects to stimulate the economy, so the signs of life these days are interpreted by most experts as just a temporary comeback, not a self-sustaining recovery. There have been many false starts in the last eight years, but the economy has always sunk back, this time into the deepest recession since the end of World War II.

To the pessimists, however, Japan is like a vehicle

being towed along the road by all that deficit spending. They doubt its engine will start without an overhaul.

Whatever the reasons for the movement, whatever the concerns for the future, the passengers throughout Japan seem relieved that at least the vehicle may be going forward again.

Any progress in Japan would also be a major relief for the rest of the world, since Japan is the second-largest economy after the United States and by far the largest in Asia. Optimists believe that Japan has

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Newspaper Prices		
Andorra	10.00 FF Lebanon	11.300
Antilles	12.50 FF Morocco	16 Dh
Cameroon	1,800 CFA Qatar	10.00 QR
Egypt	CE 5.50 Réunion	12.50 FF
France	10.00 FF Saudi Arabia	10 SR
Gabon	1,100 CFA Senegal	1,100 CFA
Italy	3,000 lire Spain	250 Pts
Ivory Coast	1,250 CFA Tunisia	1,250 Din
Jordan	1,250 JD U.A.E.	10.00 Dh
Kuwait	700 Fils U.S. M.L.	\$1.20

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## THE AMERICAS

**Watching Dole: Where Does She Stand? Can She Stand It?**By Melinda Henneberger  
New York Times Service

**WASHINGTON** — During her husband's 1996 presidential campaign, Elizabeth Hanford Dole showed up, right on time, to tape a commercial for him. She read the spot through once, off the prompter. Then she thanked everybody and got up to leave.

Even professional actors can go through a dozen takes at such a taping, just getting warmed up.

But when Mrs. Dole was called back and asked to try once more, she seemed at first not to understand the request, then took umbrage at the implication that her presentation had been other than perfect the first time. Before a third try, according to a sympathetic witness, she cleared the room and proclaimed herself thoroughly humiliated.

A long career in Washington has produced many such anecdotes about Mrs. Dole. Ever professional and widely admired for what one friend calls her "superhuman discipline," she prepares so thoroughly for public appearances that she even requires aides to count the number of steps she must take to the podium.

Though roughly as fragile as former Prime Minister Margaret Thatcher of Britain, Mrs. Dole is also famously thin-skinned, and has been known to burst into tears over unfaltering press.

Even friends who think Americans might appreciate a president with an extra measure of self-control after the Clinton years wonder why she would subject herself to the ordeal of running for the office.

In a phone interview, Mrs. Dole said, "I've long ago learned to deal with the slings and arrows of politics." If she does run, she said, "It will be to make a positive contribution to people's lives, to bring civility back to politics."

Wednesday, when Mrs. Dole announced her intention to consider formally a presidential run, in what would be her first bid for public office, she appeared ready to become the country's first serious female presidential candidate and a serious contender, period.

As a two-time cabinet secretary, a former head of the American Red Cross and an im-



Mrs. Dole at the Iowa rally where she announced she would study a presidential bid. "She's a tough lady; she's as hard as her hairdo," a Republican consultant said.

minutely popular campaigner for her husband, former Senator Bob Dole of Kansas — (Remember all the talk about how the wrong Dole was running?) — she has stirred enormous interest among Republicans, and has consistently done well in early polls, usually placing just behind Governor George Bush of Texas.

Now Mrs. Dole will have to answer two major questions: What does she stand for? And can she stand the messy, uncontrolled, often out-of-control political process that will decide who becomes the next president?

After decades in the public eye, she is hardly an unknown quantity. But some of her party continue to wonder about her politics — and whether she is suited to the political life.

Is she a centrist in the style of, say, her husband? Or do her beliefs as a committed Christian put her politics more in line with the religious right?

Now 62, she became a Republican just before she became Mrs. Dole, at 39. And although she has repeatedly thrown herself into her husband's campaigns, her politics has

remained ambiguous, if only because she has never run for office.

She said she defines herself politically as a mainstream conservative and laughs at the suggestion that she is too much of a perfectionist to handle a national campaign.

"That has been so overplayed," she said. "I said in a speech in 1987 that I considered myself a perfectionist, but I've really tempered that extensively and there's no way I could have taken on the issues I have if I had not tempered that."

And thin-skinned? Another laugh. "I have to disagree with that," she said.

Friends say she is running out of a real sense of calling, an almost missionary zeal.

According to Mari Maseeng Will, an old friend and longtime adviser, the theory of Mrs. Dole's campaign is this: "Elizabeth has an opportunity to put together a new version of the Reagan coalition," appealing to conservative Democrats and independents.

"She's not forbidding in the way many Republicans are, not seen as a threat to others."

views and not intolerant," Ms. Will said, adding, "A lot of women would be drawn to her in a way they haven't been drawn to the Republicans in a long time — and young professionals, and eventually, the social conservatives."

The challenge will be filling in the blanks in that general portrait of her.

"She's a tough lady; she's as hard as her hairdo," said Alex Castellanos, a Republican consultant who has worked for Mr. Dole. "And she'll be one of the serious contenders."

"But until America learns where she would lead, she won't pass the threshold test," Mr. Castellanos said. "There's always a place at the table for a female candidate," he said, "but for it to become more than that, she has to have a message beyond 'I am woman, hear me roar.'"

Although Mrs. Dole is an active Christian who schedules time for daily prayer and who, friends say, is largely motivated by the dictates of her faith, she has never been a particular favorite among her party's base.

Her husband was never eager to join the abortion debate and seemed to put his foot in his mouth whenever he did broach the issue. Mrs. Dole's stated position, that she is against abortion except for certain cases but respects other viewpoints, seems similarly wishy-washy to some conservatives.

She says her position is wholly unambiguous: "It's pretty clear, I'm pro-life, with exceptions for rape, incest and the life of the mother."

But even her pollster, Linda DiVall, suggests that her position is a little more complex, saying, "I don't know that she wants to overturn the law of the land," referring to the Supreme Court's Roe v. Wade decision legalizing abortion.

And one religious conservative leader, who spoke on the condition of anonymity, recalled that every time Mrs. Dole has spoken to his group, she has excised references to abortion.

Privately, some Republican consultants say they worry more about Mrs. Dole's flexibility than her politics, whatever they may be, and wonder whether she is gaited for the free-for-all of a national campaign.

## POLITICAL NOTES

**House for School Flexibility On Spending Federal Money**

**WASHINGTON** — A bill designed to give schools more flexibility in spending federal money was approved Thursday by the House on a vote of 330 to 90. Unlike a companion bill destined for Senate passage, the House measure does not include any of President Bill Clinton's education proposals, including federal subsidies for hiring thousands of new teachers.

On Wednesday, the Senate broke through six days of procedural jousting and agreed to vote later Thursday on both the bill and amendments demanded by Democrats.

Republicans and Democrats have battled over whether the "ed-flex" bill, which would loosen strings on certain federal dollars, should include plans to spend \$1.2 billion to hire 100,000 new teachers nationwide to reduce class sizes. Late Wednesday, Senate leaders had cut a deal to put the bill up for a vote, along with a handful of amendments that include the new-teacher plan.

The House passed the bill without compromises. (AP)

**Starr Presents Data Revealing Fraudulent Loan Aided Clinton**

**LITTLE ROCK, Arkansas** — The office of the independent counsel Kenneth Starr alleged Thursday that a fraudulent \$300,000 federal loan taken out by Susan McDougal in the mid-1980s was used to help pay off an earlier loan taken out in President Clinton's name for the Whitewater land venture.

In testimony at Mrs. McDougal's obstruction of justice and contempt trial, an FBI agent, Mike Patkus, made the first link between the fraudulent federal loan and a possible benefit to Mr. Clinton, who at the time of the 1986 transactions was Arkansas governor.

Mr. Clinton has testified he knew nothing about the fraudulent Small Business Administration-backed loan that Mrs. McDougal received and also never had any financial transactions or loans from the savings and loan owned by Mrs. McDougal and her late ex-husband, James.

But Mr. Patkus testified that he discovered a \$27,600 loan from Madison S&L to Mr. Clinton taken out in 1982 while poring through microfilm records of the failed thrift. And he then traced for the jury a series of complex transactions that showed how the 1982 Clinton loan came to be reimbursed through the \$300,000 loan. (AP)

**Colombia Rebels Killed Americans****Leftist Group's Confession May Unblock Fragile Peace Process**

The Associated Press

**SAN VICENTE DEL CAGUAN, Colombia** — In a stunning confession, Colombia's largest rebel group has admitted its men abducted and killed three American activists whose blindfolded and bullet-riddled bodies were found last week.

A senior leader of the leftist Revolutionary Armed Forces of Colombia, known as FARC, said Wednesday that the Americans were kidnapped and executed by a low-ranking field commander acting without the approval of his superiors.

Raul Reyes, a member of the group's seven-man ruling junta, said: "We condemn the abominable assassination of the three Americans."

The rebel who ordered the shootings may be put before a firing squad, Mr. Reyes added.

The fact that the group took responsibility was seen as a lifeline for efforts to negotiate an end to Colombia's 34-year conflict, which

**Away From Politics**

• The New York Civil Liberties Union has sued the city over its new policy to seize the cars of people accused of drunken driving. The lawsuit was filed on behalf of 72 people who lost their cars under the policy. (AP)

• O.J. Simpson's daughter, Arnelle Simpson, 30, has paid more than \$10,000 in restitution for damaging a Beverly Hills house and apartment building in a crash while driving drunk, prosecutors said. Ms. Simpson had pleaded no contest last year to a misdemeanor drunken driving charge. (Reuters)

• Still reeling from a 1998 drought that devastated farming and ranching communities, Texas officials are increasingly alarmed about what appears to be a potentially more serious drought looming this year. The unusually warm winter and dearth of rainfall have severely damaged the winter wheat crop and stunted hay and natural grasses. (NYT)

• Newspaper executives denied rumors that the Denver Post would be sold to its rival, the Rocky Mountain News, as the two continued one of the last American newspaper circulation battles. (Reuters)



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## INTERNATIONAL

# Pope and Iranian Leader Hail Talks as an Opening

## Khatami Speaks of Religions' Common Bonds

By Alessandra Stanley  
New York Times Service

**ROME** — Seeking to improve relations between Christianity and Islam, Pope John Paul II gave a private audience to President Mohammed Khatami of Iran on Thursday.

It was the Pope's first encounter with an Iranian head of state since the days of Shah Mohammad Reza Pahlavi.

As the Pope escorted the Shiite cleric out of his study in St. Peter's after a 25-minute talk, he called their meeting "very important and promising."

The Vatican visit was particularly important to Mr. Khatami, who is the first Iranian president to visit Western Europe since the Islamic Revolution in 1979.

A moderate, Mr. Khatami came seeking to improve Iran's economic and political ties with the West.

As he was leaving, Mr. Khatami asked the Pope to pray for him and also for the Pope's own health and success.

"The hope is for the final victory of monotheism, ethics and morality together with peace and reconciliation," he told the Pope through a translator. "May God protect you."

He presented the Pope with gifts, including videotapes of an Iranian television miniseries based on a story in the Koran about Christians who fled persecution by hiding in Persia for 300 years. "I think you will find this interesting," he told John Paul.

The visit was described as cordial and friendly. One member of the Iranian delegation, also a cleric, was apparently so moved by the audience that as he passed the Pope on his way out the door he stopped and asked John Paul II if he could do something. He then leaned down and kissed the Pope on the cheek.

The Pope has long stressed the common bonds and beliefs between Christianity, Islam and other faiths. Since he arrived in Italy on Tuesday, so has Mr. Khatami.

"All the divine faiths are not quite essentially different," Mr. Khatami said in a speech to the European University Institute at Fiesole, near Florence.

The Pope last met with an Iranian leader in 1970, when he was greeted by the shah during an airport stopover in Tehran.

The Vatican did not break diplomatic relations with Iran after the revolution.

The Pope has talked with other Iranian officials in the Vatican, but Thursday was his highest-level meeting, and it was

billed as a historic event by the Vatican.

Mr. Khatami visited the United Nations last year. Iran currently chairs the 54-nation Islamic Conference, and that gave the papal audience additional weight.

The meeting with the Pope, therefore, assumes capital importance," the Vatican ambassador to Iran, Archbishop Romeo Panciroli, said on Vatican radio.

Mr. Khatami also met with the Vatican secretary of state, Angelo Sodano. According to a Vatican spokesman, they discussed the Middle East, Christian-Islamic dialogue and human rights in Iran, including the rights of Catholics there.

The Vatican is interested in improving conditions for Christians in Iran, who are a small minority of about 120,000. There are only 13,000 Roman Catholics there, and they are allowed to worship in their churches, but according to Fides, the missionary arm of the Holy See, Catholics are closely watched and denied some civil rights such as careers in the military or government.

The Iranian government is even less tolerant of larger religious minorities such as the Baha'i, followers of a faith that originated in 19th century Persia and which Iranian clerics consider apostasy.

Human rights organizations and Iranian dissident groups say they are fiercely persecuted by the more conservative wings of the Iranian judiciary and security forces.

In Rome, where security surrounding President Khatami was tighter than for any other official visit since the then Soviet leader, Mikhail Gorbachev, came to Rome in 1989, about 50 Iranian demonstrators managed to squeeze into a far corner of St. Peter's square, but were cordoned off by barriers and a solid wall of Italian police officers.

They waved banners and shouted slogans against Mr. Khatami.

"He is a fascist and a terrorist!" one protester screamed. Despite all the security, Iranian protesters in Rome managed to hurl paint-filled eggs at Mr. Khatami's passing motorcade.

By coincidence, Salman Rushdie was in Italy at the same time as Mr. Khatami, delivering an honorary degree speech at the University of Turin on Wednesday.

Mr. Rushdie was sentenced to death by Ayatollah Ruhollah Khomeini in 1989, who accused the British author of blasphemy in his novel, "The Satanic Verses."



President Mohammed Khatami with Pope John Paul II at the Vatican on Thursday. The Pope may visit Iran this summer during an Asian trip.

In September, Mr. Khatami's government lifted the sentence, known as a "fatwa." But conservative mullahs reaffirmed the sentence on its 10th anniversary. Mr. Khatami did not publicly mention Mr. Rushdie during his visit.

Before visiting the Pope, Mr. Khatami had a breakfast meeting at the Italian Foreign Ministry with two dozen top Italian businessmen, including Guglielmo Moscato, chairman of Ente Nazionale Idrocarburi, the Italian energy giant, which along with the French oil company Elf-Aquitaine, recently signed a \$1 billion deal to develop an off-shore oil field in Iran.

An Italian official said that in the meeting Mr. Khatami sought to reassure the business executives, saying that Iranian society was opening up and that foreign investors could have confidence in the new climate.

Mr. Khatami, who flew back to Tehran on Thursday, told the Pope that

he left Italy with "beautiful memories" of his visit in the Vatican.

### Rushdie Visit Angers Iranians

Iranian newspapers lashed out at Italy on Thursday for playing host to Salman Rushdie during the state visit by President Khatami. Reuters reported from Tehran.

"The Italian Foreign Ministry must be held accountable for not informing its Iranian counterpart of its intention to grant a visa to the apostate Rushdie concurrent with the visit of President Khatami," said the English-language daily Iran News.

Honoring an apostate "is a cause for revision in Iran of what has so far been seen as Iranian goodwill and friendly intentions," it said.

"One cannot help but reach the conclusion that at least some in the Italian government fully intended to insult our president, nation and religious beliefs," the daily added.

## U.S. Restricts Low-Altitude Flights in Italy

By Matthew L. Wald  
*New York Times Service*

WASHINGTON — American flight crews working temporarily at the base in Aviano, Italy, are now prohibited from low-level training flights like the one that hit a ski-gondola cable 13 months ago, killing 20 people, the Pentagon has said in announcing plans for a safety study in the aftermath of the accident.

Tapes of each training flight are routinely reviewed by outsiders to make sure rules are followed, a Pentagon spokesman said Wednesday, but the military will not discuss other details, like whether the map used by the pilot last year, which did not show the cable, has been updated.

Defense Secretary William Cohen has appointed Admiral Joseph Prueher, the former commander in chief of the Pacific Command, to review measures taken since the Marine Corps Fowlert jet hit the cable. The review is to take 30 days.

The pilot was acquitted by a military jury March 4, a day before Prime Minister Massimo D'Alema of Italy visited the White House. President Bill Clinton promised the review after outrage over the verdict. The Italians are to appoint an officer to work with Admiral Prueher.

A Pentagon spokesman, Captain Michael Doubleday of the navy, said that since the accident, Italian air traffic controllers have been briefing crews before each flight, and low-level training flights by American crews not permanently based in Aviano have been banned. The Marine squadron involved in the cable accident was on a six-month tour.

New rules also require crews flying low-level missions "to initial that they have read all of the appropriate directives and appropriate briefing materials," Captain Doubleday said.

But Kenneth Bacon, another Pentagon spokesman, asked Friday about the chart the crew was using, which did not show the lift cables, said: "I'm not aware that a change has been made yet in the map, but I really can't talk about that because that's the subject of a different litigation."

The court-martial disclosed other deeper problems. For example, the Marines were relying on an altimeter that may have been disabled by the way they were flying the plane. Also, pilots fly low-level missions so seldom that they cannot maintain proficiency.

The Marine Corps is planning to announce Monday whether it will also court-martial the navigator, Captain Joseph Schweitzer, on the homicide and manslaughter charges on which the pilot, Captain Richard Ashby, was acquitted.

### BRIEFLY

## 85 Injured in Gaza As Protesters Riot

GAZA — At least 85 people were injured Thursday in a second day of clashes in the Gaza Strip triggered by a death sentence imposed on a former Islamist activist, witnesses and medical workers said.

The Palestinian police sealed off the area, preventing journalists from covering the clashes in the southern Gazan town of Rafah.

Rioters pelted policemen with stones and they responded with gunfire, teargas and clubbing.

A medical worker said more than 70 policemen were treated after being hit by rocks, and that about 15 protesters were wounded, two by live ammunition.

Two Palestinians were killed in similar clashes Wednesday after a Palestinian court sentenced to death a former activist of the militant Hamas group over the February killing of a security officer. (Reuters)

## EU Rebuffs Israel Over Meetings

JERUSALEM — The European Union has rejected Israel's request to halt meetings in Arab East Jerusalem between European diplomats and Palestinian leaders, officials said Thursday.

Foreign Minister Ariel Sharon of Israel made the request last month to foreign missions, urging diplomats not to meet Palestinians at the Orient House, the Palestine Liberation Organization's Jerusalem headquarters.

Israel refers to both East and West Jerusalem as its undivided capital, in a policy most countries reject. (Reuters)

## Canada Boycotts Talks with France

OTTAWA — Canada has boycotted a meeting in Paris to signal its anger over what it said was France's treatment of the separatist government of Quebec as a sovereign state.

The diplomatic disagreement erupted into the open Tuesday night when the Canadian government issued an unusual public rebuke of France for inviting Quebec to attend the meeting on development and culture. (Reuters)

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## INTERNATIONAL

## Missile Shield Would Annoy Russians, Too, China Asserts

Reuters

BEIJING — China said Thursday that it had held discussions with Russia about Washington's plan for what is called a "theater-missile defense system" to protect U.S. troops and allies in Asia.

Both Beijing and Moscow are opposed to such a program, China stressed.

"Both China and Russia have expressed their respective stands on the issue of TMD," said the Foreign Ministry's spokesman, Zhu Bangzao. "On this issue, both sides have held talks."

He did not say where and who the talks were held or who was involved, but Prime Minister Zhu Rongji and a large delegation visited Moscow last month.

China has vehemently opposed suggestions that Taiwan, which Beijing regards as a rebel province, be included under a missile-defense umbrella.

Beijing has said this would mean a U.S. military presence on the island, something China would see as "the last straw" in difficult bilateral ties.

Russia is worried that the U.S. project to build a limited missile shield would mean revising the 1972 treaty on anti-ballistic missiles, which Moscow regards as a cornerstone of nuclear stability.

Russian officials made this clear to a U.S. delegation that visited Moscow last month but stopped short of voicing opposition to the system.

U.S. officials said they had sought to reassure Russia that Washington would not withdraw from the ABM commitments.

The United States says the umbrella is being considered because of a perceived missile threat from North Korea.

There have been calls in Washington for Taiwan to be under the missile-defense system, which has its roots in anti-ballistic missile research begun in the 1980s.

A recently published Pentagon report said that China was building a major force of ballistic and cruise missiles near its coast and could present an overwhelming threat to Taiwan in five years.

Secretary of State Madeleine Albright said in Beijing last week that China should stop worrying "about a decision that has not been made to deploy defensive technologies that do not yet exist."

"China should focus its energies on the real source of the problem: the proliferation of missiles," she added.

Russian military officials say the United States has exaggerated a nuclear threat from "rogue states," unaligned with anyone.

Western experts say Russia — dependent on the West for loans and with its own military underfunded — is aware that it has limited leverage to counter any U.S. missile plans.

In another development, China proposed that the United Nations negotiate a ban on weapons in outer space. The Chinese ambassador, Li Changhe, said in a speech to the UN Conference on Disarmament in Geneva that preventing an arms race in outer space had become a "pressing" issue.

The hypothetical U.S. theater missile defense system, backed by Japan, would be land-based but would probably use space sensors to provide early warning of enemy attack or accidental launches.



HIT THE BEACH — Sailors of the Japanese navy heading for shore leave at Port Kelang, Malaysia, on Thursday. They are part of a training exercise for recent graduates of the navy's Officer Candidate School.

## CHINA: Congress Assails China Policies

Continued from Page 1

ton in Guatemala City on Wednesday, defended his actions. "I have no intention of resigning," he said. "The actions that we took as a government when we learned of this alleged espionage which took place in the '80s I believe were appropriate, I believe were in the national interest, and I believe we acted swiftly."

But Mr. Lugar, one of the most influential Senate Republicans on foreign policy, urged Mr. Clinton "to give the American people a damage assessment" and to review the administration's China policy before the Chinese prime minister visits Washington next month, when he is expected to push for entry into the World Trade Organization.

Mr. Lugar sought to add the espionage case to the growing list of Republican complaints about Mr. Clinton's China policy, which include charges that the administration had been too soft on Chinese human rights violations, had allowed American aerospace companies to transfer missile technology to Beijing and had accepted improper campaign contributions from Chinese donors.

"The Clinton administration already had dug a very deep hole for itself on Capitol Hill with respect to China," Mr. Lugar wrote in an Op-Ed article on Wednesday in The Washington Post. "That hole just got deeper and wider."

And Mr. Lott endorsed a plan for the Armed Services Committee to hear testimony from the Republican and Democratic authors of a classified bipartisan House report that concluded China obtained some of the most sensitive American military technology.

Against this angry backdrop, Mrs. Albright and two other cabinet members, Commerce Secretary William Daley and Energy Secretary Bill Richardson, mounted a coordinated defense Wednesday of the administration's handling of the case.

Under sharp questioning from the House Appropriations subcommittee that controls the State Department's funding, Mrs. Albright stressed the importance to the United States of engaging China, even in light of the spy charges.

"It is very important for us to engage with a country of 1.3 billion people that has a huge land mass, and that has an



Mrs. Albright defended U.S. policy in the face of technology leeks.

## CLINTON: Guatemala Gets Apology for U.S. Support of Rightists

Continued from Page 1

The United States will no longer take part in campaigns of repression, Mr. Clinton said. "We must and will instead continue to support the peace and reconciliation process in Guatemala," he said on the third day of a four-day journey through Central America.

American backing for rightist governments in Guatemala, Honduras, El Salvador and Nicaragua and covert actions against leftist guerrillas over the past four decades caused "bitter divisions" in the United States, Mr. Clinton said.

Mr. Clinton also promised to address the unequal treatment accorded some illegal immigrants from the nations of Central America to the United States. But

even as he made the pledge, the administration began steps to deport 5,000 Salvadorans and Guatemalans who entered the United States illegally in the aftermath of a hurricane last October.

Mr. Clinton vowed to try to change the rules under which Salvadorans and Guatemalans who entered the United States in the 1980s must prove that they would face political retribution if they were returned to their homes.

Under the Nicaraguan Adjustment and Central American Relief Act of 1997, Cubans and Nicaraguans who entered the United States illegally while fleeing leftist governments are granted a presumption of political hardship and given an amnesty from deportation.

But Salvadorans and Guatemalans, who fled authoritarian governments,

must overcome steep hurdles to avoid being returned to their countries under the terms of the law, which Republicans sponsored.

### Clinton Is Asked for Free Trade

Central American presidents pressed Mr. Clinton on Thursday to support free trade between their countries and the United States, saying it would help limit illegal immigration and boost their fragile economies. Reuters reported from Antigua, Guatemala.

Wrapping up a four-day Central American tour, Mr. Clinton met the leaders of Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Belize and the Dominican Republic for a summit in a city that was the capital of all of Central America under Spanish colonial rule.

Mr. Clinton noted that Central America had had "a long and difficult season" with its civil wars and hurricanes but said, "We can truly rejoice that the springtime of renewal and rebuilding is here."

President Alvaro Arzu of Guatemala said the region needed the same access to U.S. markets as Mexico had through the North American Free Trade Agreement.

"We only need one thing: access to markets," the Guatemalan leader said. "Our land is fertile. Our people are hard-working."

## Violence Racks Ecuador During Strike

Compiled by Our Staff From Dispatches

QUITO, Ecuador — The police used tear gas to disperse protesters in isolated street clashes in Ecuador's major cities Thursday, but a two-day national strike against economic reforms appeared to lose steam in its final day.

No injuries were reported. Urban transit, however, was paralyzed by the strike in Quito, Guayaquil and Cuenca. Clashes Wednesday left 19 people injured and 97 arrested as protesters threw incendiary devices and burned tires on the streets of cities across Ecuador.

## AMBON: Christians and Muslims Seek Answers to Disturbances

Continued from Page 1

by side in the Moluccas islands for more than 200 years, prompting one Indonesian to describe the province's religious harmony as "heaven on earth."

But Indonesia's transition from Dutch colony to independent republic in 1945 altered the Moluccas' social structure. Where once Ambonese Christians were the privileged citizens of Dutch rule, nationalist Muslims took the lead in promoting the fledgling republic. One result was an ill-fated, quickly suppressed separatist movement of the so-called South Maluku Republic, which Ambon Island's Christians supported.

In the Suharto era, Muslim traders from neighboring provinces began filtering into the Moluccas, further disrupting the social order and eventually bringing the distribution of Muslims and Christians in the Moluccas to 50-50. In all of Indonesia, Muslims comprise a majority of more than 80 percent.

As Muslim migrants began to control the local economy, the old system of village interdependence, in which villages often banded together in the face of crisis, began to break down. This shift led Christian communities to suspect the government of favoritism; local Christian leaders say, "This development, they say, may have created an environment that became ripe for conflict."

"We used to have tight social rules and values, but now they are gone," said Father Liang, a pastor of Silo Church, one of the first in Ambon to be attacked

by mobs. "Perhaps Suharto was in power too long, promoting Islam more than Christianity, even though religion should never be politicized."

Although officials have blamed lurking "provocateurs," allegedly seeking to destabilize the country for their own political interests, the charged remains of Ambon's Muslim and Christian neighborhoods tell a different story.

There are campaigns urging ethnic Buginese, Butonese and Makassarese migrants to "get out or be killed." Angry graffiti have been scrawled on evacuated Muslim homes. Indonesian flags have been strung up in the ruins of Christian villages and the words "Christian dogs" spray-painted onto homes, a reference, residents say, to Christian sympathizers of Dutch colonial rule.

Some police and government officials attribute the violence to Ambonese gangsters who have been manipulated by political interests. According to this theory, an anti-Christian attack in November that killed 16 people was the opening salvo of the conflict. That battle reportedly drove Ambonese Christians out of their Jakarta stronghold back here to the provincial capital, and now they are seeking revenge, the theory goes.

"There are intellectual leaders that try to dumb down the public for their own interest," said Governor Laconica, a native Ambonese Muslim. "One reason for these incidents is that these provocateurs don't want to have a stable government and they want the violence to spread outside of Maluku."

Whatever the reason, military and civilian authorities have not been able to contain the violence; they have even been accused by each side of favoring the other.

Dissension within the military is the reason the armed forces have been unable to assert control, according to some analysts. The path to military success used to require quick suppression of unrest, but in today's nascent democracy the rules have changed. Clamping down too harshly may incite the ire of human rights groups and the public, they say.

Indonesia's armed forces chief, General Wiranto, has sent more than 3,000 troops to the Moluccas to establish order and to take harsh measures against "disturbers of any religion or ethnicity."

### Troops Stop Communal Clashes

Armed smoke hung over Ambon on Thursday as troops quelled sporadic communal clashes a day after battles between thousands of Christians and Muslims killed up to 10 people, Reuters reported from Ambon.

Troops brought the harbor city under control by midafternoon. Some roads were blocked with trees and stones to separate Muslim and Christian pockets. There were no reports of deaths Thursday, although one official said several houses were on fire.

Up to 10 people were believed to have died after troops and police fired into crowds of Christians and Muslims fighting with Molotov cocktails, machetes and spears Wednesday.

## Israel Shrugs as Cohen Offers Arms to Egypt

The Associated Press

JERUSALEM — Defense Secretary William Cohen offered to sell \$3.2 billion worth of highly sophisticated U.S. weaponry to Egypt on Thursday.

Mr. Cohen later met with Prime Minister Benjamin Netanyahu of Israel, who shrugged off the deal as "nothing particularly new."

The proposed sale, announced by Mr. Cohen in Cairo, includes 24 advanced-model F-16 fighter jets, 200 MI-A1 tanks and one eight-unit Patriot missile battery.

Israel has expressed concern about Egypt and other Mideast allies of the United States acquiring the latest weaponry. But Thursday, Mr. Netanyahu played down the U.S.-Egyptian deal, saying that Egypt and Israel had been at peace for two decades.

He also underscored the close defense ties between Israel and the United States. "It will be very hard to find two countries that cooperate in the field of defense as intensely as Israel and the United States," he said.

Mr. Netanyahu said the most important security issue for Israel is the development of ballistic missiles and chemical and biological weapons by "radical regimes in the Mideast."

In Israel, his last stop on his Mideast tour, Mr. Cohen was to meet with the two opposition party candidates who are campaigning to unseat Mr. Netanyahu in elections scheduled for May 15. Ehud Barak, the Labor Party can-

## Schroeder Given Chance To Resume Centrist Path

Lafontaine Damaged Confidence, Aides Say

By John Schmid  
International Herald Tribune

omic issues than Mr. Lafontaine, who has taken much of the blame for the 10 percent slump in the value of euro since it began life on Jan. 1.

Confirming the economic importance of the change in Bonn, financial markets sent the euro sharply higher.

Sources within Mr. Lafontaine's own party say he is so enamored of his own intellect that he is blinded to the resistance his ideas encountered in the four months of the struggling government. Against all odds and powerful opposition, Mr. Lafontaine has clung to his idea of controlling the world's \$1.5 trillion daily currency markets with simple target zones.

The news will have major implications for the rest of Europe.

In his campaign, Mr. Schroeder promised an economic restructuring to adapt Europe's most pivotal economy to the era of globalization. With Mr. Lafontaine blocking him, none of Mr. Schroeder's plans materialized.

Mr. Lafontaine's brief written statement omitted any reasons for the sudden departure. But recent events in Bonn made clear that Mr. Lafontaine had become a lightning rod for criticism.

The Schroeder-Lafontaine conflict had escalated at an emotional closed-door cabinet meeting Wednesday night. Mr. Schroeder singled out Mr. Lafontaine as he lashed out at his cabinet, German newspapers reported. He blamed his Finance Minister for heaping new burdens on the power-generation industry just when the government was trying to extract an agreement to shut down nuclear power plants.

Such policy confusion, and a succession of policy reversals and retreats, have led to a slump in economic confidence.

Evidence that Mr. Lafontaine had driven money out of Germany's economy appeared this week. A private bank in Liechtenstein, the V-P Privat Bank, announced that the "Lafontaine effect" had sparked a flow of funds out of Germany and into its accounts, even allowing the bank to pay a special dividend.

The popularity of the governing Social Democrats reached a new low this week. Only 22 percent of respondents to a Forsa institute poll believe the four-month-old government can solve the nation's problems, down from 30 percent in January.

The resignation appears to signal the end of one of Germany's most colorful political careers. Mr. Lafontaine wanted to run for chancellor last year, but bowed to Mr. Schroeder as the better campaigner.

## GERMANY: Lafontaine Quits Coalition

Continued from Page 1

achieve. While it remains one of the world's two largest exporters, Germany now ranks only 24th among nations in competitiveness.

Germany has some of the world's highest wage costs, shortest working hours, longest vacations, oldest students and youngest retirees. As a result, many companies are fleeing abroad where social welfare is less costly and policies are more amenable to foreign profits.

After a successful election campaign in which Mr. Schroeder charmed voters with his pro-business credentials, Mr. Lafontaine parlayed his substantial political power as chairman of the winning party to secure the government's second most powerful post. He also charted a leftist economic policy that sought to close tax loopholes for corporations while giving tax breaks to lower and middle-income citizens as a way of stimulating demand in a moribund economy.

But in a cabinet showdown Wednesday that may have triggered Mr. Lafontaine's resignation, Mr. Schroeder angrily insisted to his assembled min-

isters that the government must stop imposing intolerable burdens on business if it hoped to make good on its promises to create jobs and fulfill the expectations of a majority of German voters.

Mr. Schroeder said all problems facing Germany "must be viewed realistically" and "checked for any negative economic effect," according to his spokesman, Uwe-Karsten Heye. The chancellor said it was suicidal for the government to make impossible demands, and he declared, "I will not let policies against business be made with me."

Mr. Schroeder accused Mr. Lafontaine of alienating many business leaders with tax reform plans that would have closed many of the loopholes that enabled German corporations to积聚 huge financial reserves.

Last week, a group of 20 leading German business executives warned Mr. Schroeder in an open letter that the tax reform plan would "create uncertainty and deter investors." Several of them, including leaders of top insurance and energy companies, said they would consider moving a significant part of their operations abroad if Mr. Lafontaine were allowed to impose policies they considered inimical to their interests.

Government plans to shut down Germany's 19 nuclear plants, which produce about 35 percent of the nation's electricity, have also outraged energy and utility companies. More than 30,000 workers from the energy industry staged protest marches in Bonn this week to dramatize their fears about their jobs.

## Researchers Find First Gene Known

To Control Obesity

The Associated Press

NEW YORK — Researchers have identified the first gene known to suppress obesity, and regulate the burning of calories, a key step that may help in developing a drug that keeps people trim.

The gene, known as Mahogany or the MG gene, was discovered in mice. It is the sixth gene found to be implicated

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## INTERNATIONAL

## Hutu Problem Remains Intractable

### Murders in Uganda Underscore Africa's and World's Ongoing Failure

By Lynne Duke  
Washington Post Service

**JOHANNESBURG** — The massacre of foreign tourists in Uganda by Congo-based Rwandan rebels last week highlighted one of Central Africa's most intractable issues: how to rein in the Hutu extremists who have spread havoc across the region since their failed attempt to exterminate Rwanda's Tutsi minority in 1994.

After the Bwindi National Park massacre in which 12 people, including two Americans, four Britons and two New Zealanders, were hacked or shot to death, President Yoweri Museveni of Uganda pledged bluntly that the Hutu extremists believed responsible would be hunted, captured, even killed.

But Ugandan and Rwandan troops have been trying for years to vanquish the Hutu extremists, remnants of the militias that carried out the government-orchestrated massacres of more than a half-million Tutsi and moderate Hutu in Rwanda in 1994. Uganda and Rwanda have fought two wars in Congo—one of which continues after seven months—to counter the regional threat that the Hutu extremists have posed since they fled Rwanda after the genocide was thwarted. Yet, the Hutu diaspora still shakles Central Africa.

At several key junctures in the region's long saga of violence involving the Hutu extremists, foreign powers have refused to step in—even when the Rwandan genocide was unfolding, a fact for which both the United States and the United Nations have offered apologies.

In recent weeks, however, African, U.S. and British diplomats, as well as the UN, have stepped up efforts to end the Congo war, which is rooted, in part, in the persistence of the threat that Congo-based Hutu present to Rwanda, Uganda and Burundi.

The UN secretary-general, Kofi Annan, said recently that a peace force—possibly numbering as many as 15,000—would probably be needed in Congo once a solid cease-fire deal emerges between President Laurent Kabila of Congo and the rebels trying to overthrow him and the eight nations backing one side of the other.

Rwanda, Uganda and Burundi are fighting alongside the Congolese rebels against Mr. Kabila's government, which is supported by Angola, Chad, Namibia, Zimbabwe and, according to some reports, Sudan.

Last month, President Bill Clinton acknowledged for the first time the possible need for a peace force, saying that the United States would support an "internationally recognized" peacekeeping effort in Congo.

"It's been taken as an article of faith that there would be such a force," though its composition and mandate are far from determined, said a Western diplomat involved in the Congo mediations.

But negotiators have yet to articulate a formula for dealing with the Hutu extremists and numerous other stateless rebel groups that function like nomadic warriors and use eastern Congo's badlands as a base.

Of several Hutu groups scattered around Rwanda's borders, the *Interahamwe* ("those who work together" in the Kinyarwanda language) is the most infamous. In Rwanda, before the Hutu were driven from power in 1994, the Interahamwe was a militia of about 50,000 members that coalesced around ethnic barred. Today, fear of the exiled Interahamwe is so pervasive in the region that any Hutu with a weapon often is assumed to be a member.

The Interahamwe is allied with Hutu extremists who were members of Rwanda's army, as well as with Congolese Hutu driven by similar ethnic animus. The group that killed the tourists in Uganda was identified as the Army for the Liberation of Rwanda, which a U.S. official said is closely linked to the Interahamwe.

Even if the nine nations involved in the Congo war could agree to a ceasefire and a settlement that would allow a peace force to enter the region, making such a peace force workable would hinge on the ability of Uganda, Rwanda and Congo to deal with the Hutu extremists. The United Nations is not likely to do it.

"This is something that they themselves will have to sort out," a UN official said of the regional states' ability to deal with the extremists.

After eight months of fighting with no clear end in sight, Mr. Kabila's prime military backers, Zimbabwe and Angola, are ready to get out. Angola, which has plunged into renewed civil war, already has withdrawn most of its troops from Congo, diplomats and news reports say. Zimbabwe is beset by civil unrest and economic decline.

These strategic changes have created new space for diplomatic initiatives. The U.S. undersecretary of state, Thomas Pickering, was dispatched to the region this month, following weeks of talks held in various African capitals by Howard Wolpe, the U.S. envoy for the so-called Great Lakes region, which encompasses Congo, Rwanda, Burundi and Uganda.

This coincided with recent efforts by Britain's minister of state in the Foreign Office, Tony Lloyd, to press for a Congo peace deal, including a reported proposal for about 12,000 peacekeepers. The current peace plan stems from

proposals by President Nelson Mandela of South Africa and President Frederick Chiluba of Zambia.

But the intractability of the Congo conflict is etched starkly by its history, and the rest of the world has come face to face with the Hutu extremist problem several times before.

Although a UN peace force was in Rwanda when the genocide began in April 1994, other nations decided not to intervene and withdraw the peace force rather than beef it up. The genocide ended only when a Rwandan Tutsi rebel force routed the Hutu-led army and militias in July 1994, driving them across the border to Congo, and established the government that now rules Rwanda.

There, in what was then called Zaire, the Hutu refugees gathered in UN camps that gradually came to be controlled by the armed extremists, who transformed the camps into virtual military bases and used them to strike across the border at Rwanda.

When Rwanda's new Tutsi-led military took matters into its own hands and, with Uganda's support, invaded Zaire to break up the camps, an estimated 1.1 million refugees were set adrift. Fighting forced about 600,000 of them to flee back to Rwanda—and scuttled plans for a Canadian-led UN peace force to assist in their repatriation—and about 500,000 were left to fend for themselves. The militant Hutu used these as human shields to drive deeper into Zaire. Rwandan and Congolese Tutsi troops pursued the Hutu and massacred an untold number as part of a military campaign that ultimately ousted Mobutu Sese Seko, the dictator of Zaire, and installed Mr. Kabila.

Mr. Kabila renamed the country Congo, but little else changed. Hutu militancy in eastern Congo survived, and Mr. Kabila's inability to suppress it eventually turned Rwanda and Uganda against him. Rwanda now alleges that, rather than help secure the eastern regions, Mr. Kabila allied himself with the Hutu militants, and even trained them in his army.

Washington, while taking no position in the Congo war beyond pushing for its negotiated end, is widely perceived in the region to be siding with Uganda and Rwanda, its close allies.

In messages sent out of Bwindi National Park with survivors of last week's massacre or left near the victims' bodies, the killers portrayed the slayings as a punishment for the West's ties with Rwanda. That prompted a tough response from Mr. Clinton, who said Thursday: "If this attack was intended as a warning to our nation to stop supporting those in the region seeking reconciliation and justice, those who committed it should understand that we will not be deterred in any way."



Dutch Cheers — President Nelson Mandela of South Africa waving to crowds Thursday during a boat ride in Amsterdam, his first stop on a trip to Europe. Two players from the Ajax Amsterdam soccer team, Beani McCarthy, left, and Aaron Mokoena joined him.

## Woodward Inquiry Proposed After Report on Baby's Death

The Associated Press

**BOSTON** — Lawyers for the former British au pair Louise Woodward said Thursday they would re-examine how a baby had died while in her care.

The decision followed the broadcast Sunday of a report on the program "60 Minutes" in which two doctors said they believed that 8-month-old Matthew Eappen had been strangled, not shaken by Ms. Woodward as prosecutors at her trial charged.

The attorneys said they were glad the doctors had agreed that Matthew had not died from shaken-baby syndrome as the prosecutors had claimed. The report has stirred another wave of controversy over the case. It was revealed that one of the doctors had been paid by defense lawyers, and a group of more than 70 physicians criticized the

television report carried on the CBS network as "preposterous."

Harvey Silvergate, a defense lawyer, said the defense team's own experts would review the strangulation findings and then approach prosecutors to see whether they could jointly initiate an independent investigation.

The result could lead to a motion for a new trial, but lawyers said that decision would depend on the findings and would ultimately have to be made by Ms. Woodward.

Ms. Woodward was convicted in October 1997 of second-degree murder in Matthew Eappen's death. The trial judge reduced her sentence to involuntary manslaughter and released her from prison. She returned to England in June 1998 after the judge's sentence was upheld on appeal.

## Congress Gives Air Travelers A Forum for Their Outrage

The Associated Press

**WASHINGTON** — First there were mechanical problems at Denver, then the missed connection at Houston, an employee strike that passengers weren't told about, a detour to Miami during Super Bowl weekend without help in getting a hotel, a switched airline to the Grand Caymans and, adding injury to insult, lost luggage for which the original airline agreed to pay only \$640.

The story by Darlene McCord of Glendale, Nevada, of her vacation "turned nightmare" marked the second day of congressional hearings in which travelers, travel agents and consumer groups have skewered the airlines for poor service.

She testified to the Senate Commerce Committee, whose chairman, Senator John McCain, Republican of Arizona, is sponsoring one of several bills aimed at strengthening rights of air travelers.

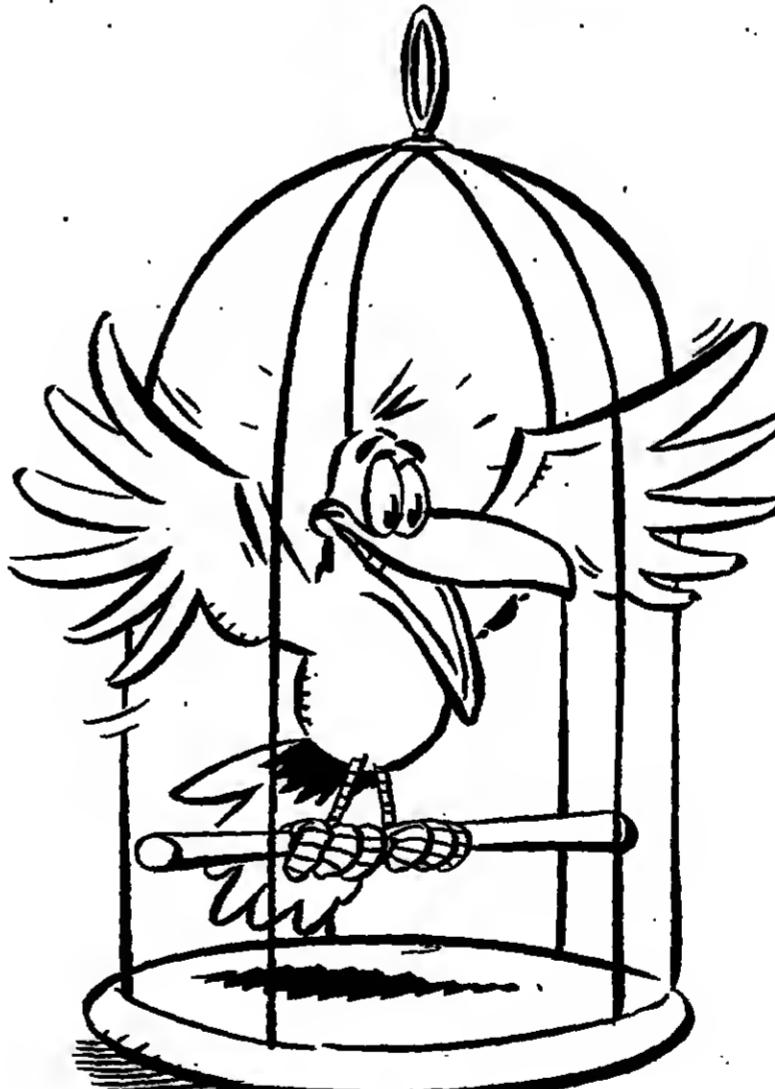
"This winter the pot boiled over when Northwest Airlines held passengers inside an aircraft unable to take off due to weather at Detroit for seven and more hours," said Paul Rudes of the American Society of Travel Agents. "More recently, the 'sickout' by American Airlines pilots further enraged the public."

The industry, in testimony prepared for the Senate Commerce Committee on Thursday, said it had heard the complaints and was trying to respond.

A representative outlined several steps being taken, including providing timely information on flight delays and cancellations, quoting passengers the lowest fares available for which they qualify and assuring that unaccompanied minors have appropriate supervision.

At similar hearings in the House of Representatives this week, Tami Rourke of Newberry, Michigan, testified about how her son, 6, traveling alone on a Northwest Airlines flight in 1996, was delayed in Minneapolis overnight. He was put in a hotel room with a 15-year-old boy who sexually molested him, Ms. Rourke said, even though the industry's unaccompanied minors program requires children to be monitored at all times.

An outside counsel for Northwest said in a letter Wednesday that Northwest transported 125,000 minors annually and had never received another complaint of child molestation. He said the police had closed the investigation without filing charges after interviewing the 15-year-old, who denied the incident.



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## EUROPE

## Farm Ministers Reach EU Deal

By Barry James  
International Herald Tribune

**BRUSSELS** — Farm ministers agreed on broad reform of the European Union's Common Agricultural Policy on Thursday, but failed to achieve radical cuts in spending.

The changes continue moves first introduced in 1992 to divert aid away from price subsidies and toward direct support for farmers.

Rather than buying up farm products to keep prices artificially high, the proposed changes aim to extend the policy of compensating farmers directly for losses.

After three weeks of complex negotiations, the ministers broke off their talks in the early hours of the morning with an agreement that must now be approved by finance ministers and heads of government at a summit meeting in Berlin later this month. There, the agreement could run into difficulties because the meeting is aimed at bringing the EU's budget under control to set the scene for new members to enter the union early in the next century. Ten East and Central European nations plus Cyprus are formal candidates for membership.

The result reached Thursday may be actually to increase spending over the short term, analysts said. But because more than half of Europe's 7 million farmers are over 55 years old, the rural population is in steady decline, and the compensation payments are likely to decline over time. On the other hand, subsidies encourage ever higher spending because they encourage overproduction that forces down market prices, requiring yet further infusions of aid.

The French farm minister, Jean Glavany, warned that the farm deal could still fall apart if the EU leaders fail to agree on an overall budget package. "The work remains unfinished," he said. His British counterpart said leaders might decide at Berlin to cut direct aid over time to achieve desired savings.

But the German agriculture minister, Karl-Heinz Funke, said, "We have more or less hit the nail on the head," even though the deal exceeded budget limits by about 2 percent.

And France's finance minister, Dominique Strauss-Kahn, said the agreement opened the way for a budget pact. "Things are starting to move," he said.

Luc Guyau, the president of the committee of European farm unions, COPA, said he would meet Chancellor Gerhard Schroeder of Germany on Friday to ex-



A French farmer struggling with riot police as he was arrested Thursday in Rodez. He was protesting plans to reform European Union agricultural policy.

press dissatisfaction with the agreement, which he said only partly met farmers' needs. He said some farmers, for example those who grow oil seeds, were even less protected than their counterparts in the United States.

Under the proposed package, farm support will total about 313 billion euros (\$343 billion) over a seven-year period from 2000 to 2006, or about 44.7 billion euros a year. Finance ministers have called for spending to be kept at its present level of 40.4 billion euros.

Agricultural support is the biggest element in the EU's 86 billion euro annual budget, but it is also the union's longest-lasting and most vis-

ible sign of integration. The EU commissioner in charge of agriculture, Franz Fischler, said the agreement "was the most radical reform since the Common Agricultural Policy was first established in the early 1960s." He said it was "a solid basis for ensuring the future development of the EU's agricultural sector" and would benefit consumers and the environment too.

Mr. Fischler acknowledged the agreement was a compromise, but he said its effects would be increasingly felt in coming years.

The reform is intended to equip the EU with a position it can defend in the next world trade liberalization

## U.S. Keeps Heat on Serbs

Holbrooke Will Stay in Contact on Kosovo Crisis

Compiled by Our Staff From Despatches  
**HOCA ZAGRADSKA, YUGOSLAVIA** — Yugoslav troops poured into southwestern Kosovo and pounded villages near the province's second-largest city on Thursday as fighting spread in the wake of the failure of a U.S. peace mission.

Hundreds of ethnic Albanians fled the new offensive on tractor-pulled wagons as tank and mortar fire boomed in an area surrounded by army troops and Serbian police units that moved in before dawn.

Fighting also continued in the north. The Kosovo Liberation Army asserted that five Serb policemen and one ethnic Albanian fighter had been killed, while Serbian sources denied that any of their forces were killed but said two were wounded elsewhere in the province.

The new fighting — and U.S. envoy Richard Holbrooke's inability to persuade President Slobodan Milosevic to agree to the stationing of NATO troops in Kosovo — muddled the chances of success for new peace talks scheduled for Monday.

The eruption of fighting in the Prizren area came just hours after Mr. Holbrooke was turned aside in his talks with Mr. Western-backed settlement for the province.

With no political settle-

ment in sight, the Russian foreign minister, Igor Ivanov, arrived for discussions with President Milosevic.

Greece and Russia have

close ties to their fellow Orthodox Christian Serbs and lean in their favor on critical foreign policy issues.

Foreign Minister George Papandreou of Greece said he hoped the strong links between Athens and Belgrade might prove useful.

He and Mr. Ivanov are to see Mr. Milosevic on Friday.

After eight hours of talks with the Yugoslav leader on Wednesday, Mr. Holbrooke reported that the Serbs still objected to NATO troops being stationed in Kosovo — a key part of the deal which promises autonomy to the majority ethnic Albanian province.

While Moscow has influence over Mr. Milosevic, it opposes aspects of Western policy such as threats of air strikes. (AP, Reuters)

■ House Sees Dangers Defying a request by the Clinton administration for a delay, the House of Representatives debated whether U.S. troops should be sent to Kosovo if a peace agreement is achieved, The Associated Press reported from Washington.

Democrats called the timing dangerous, with already-troubled peace talks set to resume in France on Monday, even though the measure before the House is nonbinding.

But the House speaker, Dennis Hastert, Republican of Illinois, took to the floor to open the debate with an impassioned plea for the House to grapple with the issue.

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**International Herald Tribune**  
THE WORLD'S DAILY NEWSPAPER

## Irish Anti-Abortion Violence

Judge Extends Ban on Local and American Militants

By James F. Clarity  
New York Times Service

**DUBLIN** — A High Court judge Thursday extended indefinitely an order prohibiting anti-abortion militants from picketing or trespassing at the Irish Family Planning Association office in the center of the city.

The ruling came after a group of anti-abortion militants, including about 40 Americans, forced their way into a Dublin family planning office and occupied it two hours on Saturday, re-igniting the highly emotional issue of abortion in this overwhelmingly Roman Catholic country.

The militant groups were not represented in court Thursday, and the prohibition, first granted on Monday, was ordered for an indefinite period.

The chief executive of the planning association, Tony O'Brien, welcomed the decision of Judge Ineada Macken that restrains leaders of the Irish group, Youth Defense, which also had about 40 people at the occupation, and the Christian Defense Coalition, a Washington-based group headed by the Reverend Patrick Mahony.

Mr. O'Brien said that the occupation of the office raised fears that American violence and killing in opposition to abortion would spread to Ireland.

The occupation on Saturday, he said, was the first forced incursion into a family planning premises. There were none even during the vehement debate in 1992 as the Irish prepared to vote in a referendum that would have changed abortion law.

"The involvement of extreme American militants is probably the most sinister development in Ireland's long-running abortion controversy," Mr. O'Brien said in an interview.

### BRIEFLY

#### Bomb Chemicals Found In Raid on Basque Villa

**PARIS** — The police on Thursday discovered 300 kilograms (660 pounds) of chemicals used to make bombs at a villa in southwest France belonging to one of six alleged Basque militants arrested two days earlier, police sources said.

The sources, speaking on condition of anonymity, said that the police detained, then released, three men initially suspected of a connection with the six.

The police raided an isolated villa in Saint-Andre-de-Scignanx, near Bayonne in southwest France, and discovered a stash of sodium chloride, used in making homemade bombs, the police sources said. They also found ETA manuals and internal documents, the sources said without elaborating.

(AP)

overnment has struck a deal with a small opposition party to secure approval from the upper house of Parliament for a reform of the country's citizenship law, officials said Thursday.

Federal Interior Minister Otto Schily reached the agreement in talks with the government of the western state of Rhine-Palatinate, which is run by a coalition of Chancellor Gerhard Schroeder's Social Democrats and the liberal Free Democrats.

At issue is a government bill that would automatically grant German nationality to second generation immigrants. Under the new plan, immigrant children born in Germany would be granted citizenship but must opt for German nationality or the nationality of their parents at age 23. (AP)

#### Berlusconi Is Cleared

**MILAN** — An Italian court cleared former Prime Minister Silvio Berlusconi in tax fraud case Thursday — his first acquittal in a series of prosecutions that already has brought three convictions.

Prosecutors had sought a 16-month prison term for Mr. Berlusconi, the media magnate and conservative Forza Italia party leader, on charges of tax evasion and falsification of financial statements.

The case involved the 1990 purchase of a villa and land on the outskirts of Milan, where he still lives. Prosecutors charged that he underreported the price of the villa to minimize his taxes.

Mr. Berlusconi had earlier been convicted in three separate cases, for illegal party financing, bribery and fraud.

He has consistently denied any wrongdoing in all the cases and portrayed himself as the target of a political vendetta by prosecutors he claims sympathize with the left. He is appealing the convictions and jail terms, which are rarely served in Italy if the sentence is less than two years. (AP)

#### Greece Charges Ocalan

**ATHENS** — Public prosecutors Thursday charged 18 people and the Kurdish rebel leader Abdullah Ocalan with a series of crimes, including endangering the safety of Greece.

Prime Minister Costas Simitis ordered the criminal investigation in an effort to clear his government of responsibility after Turkish agents seized Mr. Ocalan last month outside the Greek ambassador's residence in Nairobi.

Mr. Ocalan's arrest by its archrival Turkey was seen as a national humiliation in Greece and led to a political crisis that forced Mr. Simitis to ask for the resignation of three ministers. (AP)

#### Bonn Citizenship Deal

**MAINZ, Germany** — The German gov-



VERSACE

## EDITORIALS/OPINION

**Herald Tribune**  
INTERNATIONAL**Central America**

The last time an American president went to Central America was 1982, when Ronald Reagan visited Honduras and Costa Rica. That year was one of the bloodiest for El Salvador and for Guatemala, where a truth commission recently labeled 1982 as a peak period for what it termed the military's "genocide" of Mayan Indians in the civil war. But Mr. Reagan praised the military leaders of both nations and spoke highly in lethal aid to their governments and the Nicaraguan contras.

This week Bill Clinton is visiting a very different Central America and carries a very different message. His trip is a belated recognition of the region's progress and importance to the United States. But Washington's support for past wars is not being matched by its support for peace today.

In El Salvador and Guatemala, UN-sponsored peace agreements have brought former guerrillas into politics and convinced the governments to social reforms. Mayan Indians, the marginalized majority in Guatemala, now serve in Parliament and as local mayors. In El Salvador the party of the former guerrillas lost this week's presidential election but was able to campaign freely. The Sandinistas in Nicaragua won the war but lost at the ballot box, and stepped down in 1990.

The conflicts are over, but Central America has essentially returned to the conditions of misery and inequality that caused the wars to begin with. While El Salvador has experienced

steady economic growth, poverty in rural areas remains unchanged. In Nicaragua, the poor are worse off than at its war's end. Huge debts have kept the region from spending money to fight poverty. Nicaragua, for example, pays 11 times more in debt service than it spends on health care each year.

Many of the postwar government's new police or judicial systems have not solved the underlying problems that made these bodies responsive mainly to the rich and powerful. Local governments admit that free market changes have so far mainly served the urban wealthy and middle class. Last year the region suffered its worst natural disaster of the century in Hurricane Mitch, which will set back development in Honduras and Nicaragua for decades.

Mr. Clinton's visit, important as it is, is a missed opportunity. He is doing his celebrated compassion, but little in the way of money. A billion dollars in post-hurricane aid is being held up in Congress. The administration should allow the quarter-million immigrants who fled the wars in El Salvador and Guatemala to stay in the United States. It must forgive the debt burdens that were already crippling the countries most devastated by the hurricane, and try to persuade international lending institutions to do the same. Washington spent billions of dollars in the 1980s on wars in Central America. It should now increase its commitment to supporting peace and prosperity.

—THE NEW YORK TIMES

**Consensus on Kosovo**

It is a bad time for Congress to debate whether the United States should send troops to help police any peace reached in Kosovo. But there is no better time left, and Congress has good reason to proceed. The Clinton administration is consumed by a fear that the president will be repudiated by Congress even as negotiations to deliver Serbs and Kosovars to a settlement are in train. It would send a signal of weakness and could well invite the coexisting Balkan parties to move into a higher military gear.

Such a vote, however, would also put directly on Congress the burden of cutting off a developing American political/military initiative. Congress would be taking on itself a grave responsibility, but it also would be doing what it presumably thinks is the right thing — heading off American participation in a operation of uncertain costs, dimensions and results before things get worse.

We happen to think that the foreign policy considerations — meaning the additional killing and violence,

possible further expansion of the war, and the issues of American and NATO credibility — require and justify careful American participation in a second NATO peacekeeping force. We think that the stakes are sufficient to make it highly desirable that the president's policy be supported by a strong bipartisan vote in Congress. The president ought to be asking forthrightly for congressional approval, not trying to evade a congressional judgment on his policy in Kosovo.

Otherwise Congress will find itself in the familiar position of evading its constitutional responsibility to participate in a timely and meaningful fashion in making American interventionism, policy, and complaining sourly about it later. The president will find himself either repudiated, in which case everyone will know where the responsibility lies, or supported, in which case his policy will be much the stronger for it. It takes a bold decision for Bill Clinton to bring Congress in as a partner in Kosovo, and he should not shy away from it.

—THE WASHINGTON POST.

**Now Elizabeth Dole?**

A woman running for president of the United States is not a breakthrough. Victoria Woodhull was a minor-party candidate before women had the right to vote, and elected officials like Margaret Chase Smith and Shirley Chisholm have made long-shot bids for the nomination. But Elizabeth Dole is still making history as the first woman to enter the presidential primary season as one of the front-runners. She took another step toward a full-fledged candidacy for the Republican nomination on Wednesday when she announced that she had formed an exploratory committee.

The Republican Party has long had a "gender gap" problem with women voters, and Mrs. Dole is marketing herself as a gap-bridge who can moderate the harsh, confrontational tone that women find particularly disturbing in Republican policies and rhetoric. But Governor George W. Bush of Texas is tilling that field, too, with his "compassionate conservatism."

One challenge in evaluating Mrs. Dole's candidacy is not to cut her too much slack simply because America has waited so long for a woman to make a serious run for president. She deserves to be judged in comparison with her opponents, not with an ideal. She would probably not be in her present position if she were not the wife of Bob Dole. But then Mr. Bush might be just one of a pack of appealing Republican governors if he were not the offspring of a former president.

Mrs. Dole has never run for office, except in the role of supportive spouse. But Mr. Bush has no experience in Washington, except in the role of first

—THE NEW YORK TIMES

**Between America and Europe, the Mooring Is Firm**

By Flora Lewis

PARIS — Arguments about the future of NATO are coming to a head as the allies work out a "new strategic concept" to be proclaimed at 50th anniversary celebrations in Washington next month. Trans-Atlantic relations appear to be in another bad patch, particularly because of sharpened trade disputes and the banana war.

Cold War pressures for political solidarity to overcome commercial quarrels no longer assure a reasonable compromise before much more damage is done, it has been noted. The argument should be turned the other way around. Without the security incentive as an excuse, both the United States and Europe should see even more clearly the importance of mutual relations for world economic health, especially given still unresolved crises.

Even as quarreling grows acute over the specifics of the NATO doctrine, three essentials have become clear beyond further question.

One is that NATO must continue. Everybody involved still considers it necessary. That was not at all the case less than a decade ago after the Soviet Union collapsed. Many predicted that NATO would come to be seen as obsolete, a burden of obsolescence to America for the Europeans, a drag of expensive and unneeded obligation for

the Americans. That has not happened.

The second is that NATO's role has changed, and that NATO must be prepared to respond to security problems beyond the geography set down in the Washington treaty. The late NATO Secretary-General Manfred Wörner kept repeating "Out of area or out of business" to those reluctant to see the alliance transcend its initial limits.

There is now an intense controversy, primarily between Washington and Paris, over how to define NATO's expanded role and whether it should consider itself a kind of autonomous world policeman or depend on mandates from the UN Security Council. But the dispute is about how and how far to go "out of area," not whether NATO should be confined to territorial defense.

The new threats are recognized as not necessarily about protecting borders — crime, terrorism, spread of weapons of mass destruction. The new goal has been called "cooperative security." It does not require the designation of a specific enemy.

The third essential agreement is that the trans-Atlantic bond must be maintained, that America remains a European power because the security, sta-

bility and prosperity of Europe are its vital national interest, and that Europe needs America not only for support but to provide the initiative that its lack of structural and political unity prevents it from generating.

These are the foundations, and they are not being challenged.

Therefore, attention is shifting to working out relative responsibilities in the new circumstances, which also include NATO enlargement to the east and European Union attempts to achieve a "defense identity" now that the EU has reached monetary integration for most of its members. The positions are not so far apart as the shrillness of the arguments makes it sound.

The United States no longer assumes that a European capacity to organize defense operations without U.S. leadership would weaken NATO. France no longer asserts the illusion of its need for "independent" defense, and indeed now argues that "multilateralism" is the best way to resist U.S. hegemony.

British Prime Minister Tony Blair has proposed what could become a useful compromise position providing for European action where the United States is not keen to bear the brunt, as in Kosovo for example, but in a way that maintains the political partnership.

When you look closer, the problems

are more money and hardware than principle. European defense budgets have been cut dramatically without, except for Britain, being redirected for new needs of equipment and capacity to project force.

As a result, with a professional army smaller than the French or German, Britain can send more troops on outside missions. France is gradually transforming its force, but there is not yet a joint European capacity to manage without a U.S. contribution.

From the U.S. point of view, the Blair approach would be a step toward "burden-sharing." A more organized European defense policy establishment would make consultations easier for the United States. Meanwhile, Washington complains about European reluctance to invest in advanced weaponry compatible with new U.S. equipment.

There are layers of domestic economic and political problems beneath what appear as organizational controversies in European-U.S. relations. They will not all be resolved in time for the Washington summit. But they need not be a menace to a productive common future if the disputes of the moment are allowed to obscure the underlying understanding.

Flora Lewis

**This Is Certainly Not the Liberated Europe We Sought to Build Up'**

Poland, Hungary and the Czech Republic became members of NATO on Friday in Independence, Missouri. It was in Missouri, at Westminster College in Fulton on March 5, 1946, that Winston Churchill delivered his famous warning to the democracies of the Soviet Communist menace ahead. Here are excerpts from that speech:

Ladies and gentlemen, the United States stands at this time at the pinnacle of world power. It is a solemn moment for the American Democracy. For with primacy in power it is also joined in a wise, inspiring accountability to the future. If you look around you, you must feel not only the sense of duty done but also you must feel anxiety lest you fall below the level of achievement.

A shadow has fallen upon the scenes so lately light by the Allied victory. Nobody knows what Soviet Russia and its Communist international organization intends to do in the immediate fu-

niture, or what are the limits, if any, to their expansive and proselytizing tendencies.

We welcome Russia to her rightful place among the leading nations of the world. It is my duty however, to place before you certain facts about the present position in Europe.

From Stalin in the Baltic to Trieste in the Adriatic an iron curtain has descended across the Continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe, Warsaw, Berlin, Prague, Vienna, Budapest, Belgrade, Bucharest and Sofia, all these famous cities and the populations around them lie in what I must call the Soviet sphere, and all are subject in one form or another, not only to Soviet influence but to a very high and, in some cases, increasing measure of control from Moscow.

The Russian-dominated Polish government has been encouraged to make enormous and wrongful inroads upon Germany, and mass expulsions of millions of Germans on a scale grievous and

undreamed of are now taking place.

The Communist parties, which were very small in all these eastern states, have been raised to preeminence and power far beyond their numbers and are seeking everywhere to obtain totalitarian control. Police governments are prevailing in nearly every case.

At the end of the fighting last June, the American and British Armies withdrew westward, in accordance with an earlier agreement, to a depth at some points of 150 miles upon a front of nearly 400 miles, in order to allow our Russian allies to occupy this vast expanse of territory which the Western Democracies had conquered. If now the Soviet Government tries, by separate action, to build up a pro-Communist Germany in their areas, this will cause new serious difficulties in the American and British zones.

Whatever conclusions may be drawn from these facts — and facts they are — this is certainly not the Liberated Europe we sought to build up. Nor is it

one which contains the essentials of permanent peace. The safety of the world, ladies and gentlemen, requires a new unity in Europe, from which no nation should be permanently outcast.

Twice the United States has had to send several millions of its young men across the Atlantic to find the war, but now war can find any nation, wherever it may dwell between dusk and dawn.

Surely we should work with conscious purpose for a grand pacification of Europe. I repudiate the idea that a new war is inevitable; still more that it is imminent. It is because I am sure that our fortunes are still in our own hands and that we hold the power to save the future, that I feel the duty to speak out now that I have the occasion and the opportunity to do so.

From what I have seen of our Russian friends and allies during the war, I am convinced that there is nothing for which they have less respect than for weakness, especially military weakness.

International Herald Tribune

**Washington Should Try Engagement With Pyongyang**

By Donald P. Gregg and Mitchell B. Reiss

NEW YORK — As the United States continues to spar with North Korea over access to the North's suspected nuclear weapons site and having it constrain its ballistic missile program, a set of more fundamental concerns has recently surfaced. Can the outside world do business with North Korea? If so, does Washington need to change its approach in dealing with this reclusive and difficult regime? In both cases, the answer is "yes."

South Korea, under President Kim Dae Jung has successfully launched a "sunshine" policy stands until the Texas state legislature ends its session in late spring. That will be a problem for Mrs. Dole, who risks looking insubstantial if she speaks all that time campaigning on generalities and trying to play it safe.

The downside of all this new positive politics is its occasionally gooey tone. Mrs. Dole needs to start speaking frankly to the American people about her ideas on taxes, education and hot-button issues like abortion and American-Chinese relations.

As a woman, she will have to put up with a special kind of scrutiny. Critiques of her appearance, wardrobe and style will go far beyond anything her male opponents will have to endure. That is unfortunate but inevitable, since she is taking the public on a shakedown cruise, acclimating it to what will inevitably be a long line of women presidential candidates in the future.

The women who are moving up the political ladder behind her may be able to enter the competition on a more even basis because Elizabeth Dole got the public used to the idea of seeing a woman running for the White House. If that happens, her own candidacy will be a success no matter who winds up as the Republican nominee next year.

—THE NEW YORK TIMES

makes any policy more difficult to develop and implement.

At a recent Korea Society conference in New York there was some evidence of convergence among Democratic and Republican foreign policy experts to bow the United States should proceed. While strong skepticism was voiced about North Korea's sincerity, a rough consensus argued in favor of presenting a comprehensive package of proposals that address not only Washington's concerns but also Pyongyang's.

This package should aim to eliminate the North's ballistic missile program, resolve any doubts about its nuclear weapons program, remove the threat to Seoul posed by the North's military deployed close to the demilitarized zone, and institutionalize a North-South dialogue and economic engagement.

America should be prepared to extend formal diplomatic recognition to Pyongyang, end economic sanctions, support the North's application to join international financial institutions like the World Bank and the Asian Development Bank, formalize a peace agreement to end the Korean War, and increase humanitarian assistance.

Washington should start talks with Pyongyang on confidence-building measures regarding troop deployments on the peninsula.

The Clinton administration should make Congress its partner in negotiations with the North. Washington will likely find support if it coordinates its ap-

proach closely with Seoul, Tokyo and Beijing as it moves forward with Pyongyang.

South Korea will solidly back this approach, since President Kim has consistently advocated improved U.S.-North Korean relations on the basis of a comprehensive deal. Seoul's self-confident approach should reassure Clinton administration critics who are reluctant to see the United States sit down and negotiate with Pyongyang.

Bargaining with the North is never easy, and this agenda will be especially difficult. Washington can expect hard bargaining, with Pyongyang trying to hedge its bets, drag out the talks and keep all options open.

Delay is not in Washington's interest, nor in the interest of peace and security in Northeast Asia. The United States has clear diplomatic, economic and military superiority over North Korea. After testing the North's willingness to forge a new and more stable relationship with the outside world, the United States must be prepared to take "no" for an answer and walk away from the table.

Both sides have much to gain by reaching a comprehensive agreement. The North has much more to lose if the current stalemate and suspicion continue.

Mr. Gregg is president of the Korea Society and a former U.S. ambassador to South Korea. Mr. Reiss is senior policy advisor or the Korean Peninsula Energy Development Organization. They contributed this comment to the International Herald Tribune.

**IN OUR PAGES: 100, 75 AND 50 YEARS AGO****1899: Jealous Norway**

CHRISTIANIA — The Crown Prince will not allow the Norwegian any "independence." He has decided that Sweden and Norway will send only one representative to the peace congress. This representative will probably be a Swede and act on behalf of "His Majesty's Government" contrary to the old custom of using the title "the King of Sweden and Norway."

These reliefs are causing a great deal of unpleasantness among the Norwegians, who are jealous of anything that is Swedish. In the long term, the United States should support African-led efforts for a settlement between Mr. Kahila and the predominantly Tutsi rebels, along with the withdrawal of all Ugandan and Rwandan troops from Congo. Only a multinational peacekeeping force can secure the borders of Rwanda, and that Western aid should be increased.

Mr. Museveni's message to the suspected killers seems clear: For every white tourist's life taken, his government will take dozens of Huni lives. But his crackdown, far from pacifying the region, can

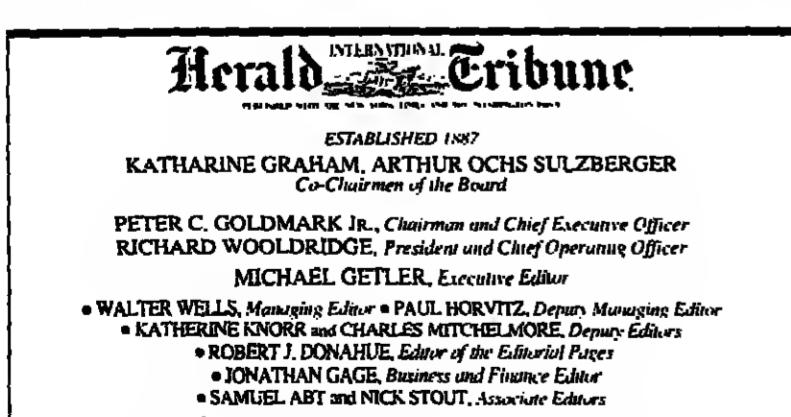
**1924: Door to Tibet**

PARIS — [The Herald says in an Editorial:] Among the remarkable events of this age none is more so than the incipient change which has declared itself in Tibet. Several explorers have penetrated to its interior and a British engineer got so far

as Lhasa, the "forbidden city," and there had an interview with the Dalai Lama. A telegraph line connecting Lhasa with India is in course of construction, and a moving picture man has taken into the country films representing the life of the outer world.

**1949: Phonetic English**

LONDON — Dr. Mont Follick's bill to scrap the present English language and introduce phonetic spelling nearly got through the House of Commons. This streamlined alphabet would make it unnecessary for children at school ever to waste time on dictation, spelling or even reading," Dr. Follick asserted. Sir Alan Herford said: "This scheme contains o's with dots over them and squiggles through them and e's written upside down. A page of this print would look like a very odd cheese under a very powerful microscope."



The writer, a visiting professor at Harvard Law School, contributed this comment to The New York Times.

مكتبة من الأرشيف

## Religious Conservatives Need a Nonpolitical Voice

By E.J. Dionne Jr.

**W**Ashington — It is hard to notice historic turnings at the moment they happen. But sometimes the signs of the times appear in bold neon letters. That is the way to look at a recent declaration by the conservative leader Paul Weyrich that "politics has failed" and moral conservatives should separate themselves "from this hostile culture" and engage in "some sort of quarantine."

In his Washington Post article, Mr. Weyrich was careful to insist that he was not proposing a complete disengagement from politics. "What we are changing is what we expect from politics and therefore, what we put into it," he wrote. "The object is to prevent government from taking certain actions, actions designed to destroy freedom and impose ideology."

Here, too, is a parallel to the post-1920s era. Evangelicals and fundamentalists continued to vote and exert influence, especially locally. But they did not form political pressure groups such as the Moral Majority or the Christian Coalition.

In fact, Mr. Weyrich and his allies are misreading the result of the Clinton battle. Most Americans who opposed removing Mr. Clinton from office did so not because they approved of his behavior but because they saw the national cost of throwing him out as too high and preferred a lesser punishment.

At the same time, virtually every poll and social indicator shows Americans moving toward moderation if not conservatism on a range of moral issues. When Mr. Weyrich sees cultural collapse and the dominance of "an alien ideology," most Americans continue to hold rather old-fashioned notions of right and wrong, family life and child rearing.

Still, there is much to be said for Mr. Weyrich's new approach to politics insofar as it could contribute to a disengagement of religion from partisan political conflict.

Religion should have a public voice, and religious people should not be marginalized. But to the extent that Mr. Weyrich and some of his allies tied faith to the success of one party and one ideological movement, they reduced rather than increased the reach of religion's voice.

If Mr. Weyrich's new strategy makes religious conservatives less an interest group and more a leaven in America's national life, he may discover that the culture is less hostile to their values than he thinks.

Mr. Weyrich roots his current disillusionment in the failure to

*The Washington Post*.



## LETTERS TO THE EDITOR

### Israel and Lebanon

Regarding "Getting Out of Lebanon" (Editorial, March 9):

If, after Israel's unilateral withdrawal, "anyone resumed rocket attacks on Israel's northern villages, of course, the Israelis would have a right to protect their people." How? By inflicting heavy strikes on Syrian military installations in Lebanon, since Syria is the prime enabler of attacks against Israel's northern villages.

These blows would have to be heavy enough to discourage further attacks. Otherwise, Israel's unilateral withdrawal would merely expand the present limited war of attrition.

JOSEPH LERNER, Jerusalem.

Regarding "The Right Way for Israel to Leave Lebanon" (Opinion, March 3) by Judith Kipper:

Perhaps the writer has shed

some light in reminding readers that Hezbollah as a militia did not exist prior to Israel's invasion of Lebanon in 1982. In effect, the militia came into being when Israel violated UN Security Council Resolution 509, which demanded the withdrawal of its forces from Lebanon "forthwith and unconditionally" nearly two decades ago.

MOHAMED H. ALWAN, Altea, Spain.

programs, and we were taught in detail about the crimes of the Third Reich. This included being shown shocking photographs of concentration camps.

Our generation is very well aware of Germany's World War II history and ashamed of those unforgivable crimes.

CLAUDIA RABE, Hennigsdorf, Germany.

Regarding "Execution Angers Germany; Cries of 'Barbarism' Over Gas Chamber Death in U.S." (March 5):

Surely the new millennium has arrived when German officials find American jurisprudence "deeply worrying" with regard to the morality of executing a convicted murderer. Though I am not a proponent of the death penalty, I find it interesting to see just how far the pendulum has swung in Germany in the past 60 years.

J. ROGERS, Paris.

In the writer's view, the death penalty is unacceptable.

And yet, isn't there something to be said about his apparent acceptance into, and success in, the American mainstream?

And to repeat: How different is what he has done from what my own family has taken as a matter of common sense leavened with generosity?

*The Washington Post*.

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## 'White' America Becomes A Family of Many Colors

By William Raspberry

WASHINGTON — My family, someone said at a recent reunion, likes to think of itself as a river stretching back as far as the mind can remember and as far forward as it can imagine.

But the salient feature of this river — the thing we like to boast about — is its ability to take in (through marriage, through adoption, even by "acclaimation") a huge variety of streams

### MEANWHILE

and rivulets while keeping its own lovely essence.

We are generous about this process, the reunion speaker said. We believe that every new drop of water that enters the river is transformed by it and that is good. But we believe that the process also changes the river, leaving it deeper and stronger and livelier. That is good, too.

We can (and usually do) at our reunions talk for some time about the peculiar culture of that river we call family: its core beliefs and attitudes, reinforced by family fables; its values with the power to improve those who come under its influence; the gentle but firm limits it sets on what is acceptable behavior, and perhaps most of all its willingness to share the benefits of that culture with who would join.

I was talking about this to a class on race the other day when this unsettling thought occurred: In what way is my family's pride of kinship different from white pride?

Our generation is very well aware of Germany's World War II history and ashamed of those unforgivable crimes.

CLAUDIA RABE, Hennigsdorf, Germany.

Regarding "Execution Angers Germany; Cries of 'Barbarism' Over Gas Chamber Death in U.S." (March 5):

Surely the new millennium has arrived when German officials find American jurisprudence "deeply worrying" with regard to the morality of executing a convicted murderer. Though I am not a proponent of the death penalty, I find it interesting to see just how far the pendulum has swung in Germany in the past 60 years.

J. ROGERS, Paris.

In the writer's view, the death penalty is unacceptable.

And yet, isn't there something to be said about his apparent acceptance into, and success in, the American mainstream?

And to repeat: How different is what he has done from what my own family has taken as a matter of common sense leavened with generosity?

*The Washington Post*.

# Leisure

TOMORROW:  
**MOVIE**

## Cape Verde, for Adventure

By Patricia Beeson

**M**INDELA, Sao Vicente — Once a major refueling stop for ships traveling between the North and South Atlantic, the Cape Verde archipelago is little known to most tourists.

About 565 kilometers (350 miles) off the coast of Senegal in the Atlantic Ocean, the republic's nine inhabited volcanic islands vary from flat and sandy to towering and craggy to lushly semitropical, or all three.

The Portuguese, arriving on the empty islands around 1460, made them a trading center for African goods and slaves brought from the mainland. There was extensive intermarriage, resulting in an African-Portuguese culture; Portuguese is still the official language nearly 24 years after independence, though Crioulo, a Portuguese-African mix, is the vernacular.

My husband, John, lived in what is now the Republic of Cape Verde until he was sent to school in England at age 8. A little more than a year ago, we returned for a weeklong visit to his childhood haunts in Mindelo, on the island of Sao Vicente. Once one of the world's busiest ports, Mindelo was largely run by the British until the 1950s, when the community departed as shipping declined.

An earlier English visitor, Sir Francis Drake, attacked the largest island, Sao Tiago, in 1585. Another, Charles Darwin, made an intensive study of the island's flora and fauna.

Cape Verde is still for the adventurous. As tourism is relatively new and on some islands barely exists, comfort levels can vary widely. So visitors should leave Western standards at home, along with high heels (most roads are flat cobblestones), and, in less developed areas, expectations of hot water and modern plumbing.

Surprises may result from the vagaries of TACV, the national airline, which constantly changes schedules. But "it's a lot better than it was," said Veronica Carvalho Martins, a Cape Verdian who is the commercial assistant at the U.S. Embassy in Praia, the capital. The airline

is also occasionally vulnerable when the trade winds, which usually blow steadily from the northeast, grow stronger, causing delays. Usually they temper heat and afford idyllic weather, but from January through March, they are augmented by the harrowing winds off the Sahara, creating bazy conditions.

Peter Swaley, deputy chief of mission at the U.S. Embassy, considers September and October, the end of the rainy season, the prettiest time. "The desert transforms to green," he said.

But too often there's not enough rain, resulting in crop failure and hardship. Cyclical drought in the Cape Verdes is a fact of life, and in the past, it meant death, inspiring large-scale emigration, particularly in the late 19th and early 20th centuries.

Though the cities of Mindelo and Praia are growing (and with them, a small middle class employed in the government and in the air traffic and maritime services), more than half the population is still rural and desperately poor. Lack of water and arable land limit farming. Fishing employs around 8,500 people, and tourism is developing. Foreign business people, mostly Europeans, may be seen in the principal hotels and restaurants in the cities.

### GARDEN AND MARKET

Praia, a small city of 80,000 on the island of Sao Tiago, is a strange, uncohesive place, a mostly new government town, full of half-built, dun-colored houses. The most interesting section is the main downtown area, called the Plato (plateau), high above the north end of the harbor. In 1832, Darwin noted the wide square overlooked by an unremarkable cathedral, which still stands today. Here also are the Palacio da Republica and its handsome garden, and the market to which women from the countryside bring live chickens and spices, cheeses, dried fish and oranges.

The Praia-Mar, the hotel where we stayed in the affluent area of Praia, is pleasantly situated on a low cliff by the sea, with a huge seawater pool. Paved paths link the blocks of rooms dispersed around its lush garden. Fresh water is a

precious commodity. Praia and Mindelo obtain much of their supply by desalinating seawater, but imported oil powers the process, making it exceptionally costly.

We started our explorations by driving two hours on a winding road to Tarrafal, at the island's north end. You can go by minibus or taxi, as we did, via the dramatic central spine of the island, returning by the flatter east coast road. We had decided to rent a beach bungalow for two nights. "Watch out for the monkeys," warned Veronica, not altogether joking.

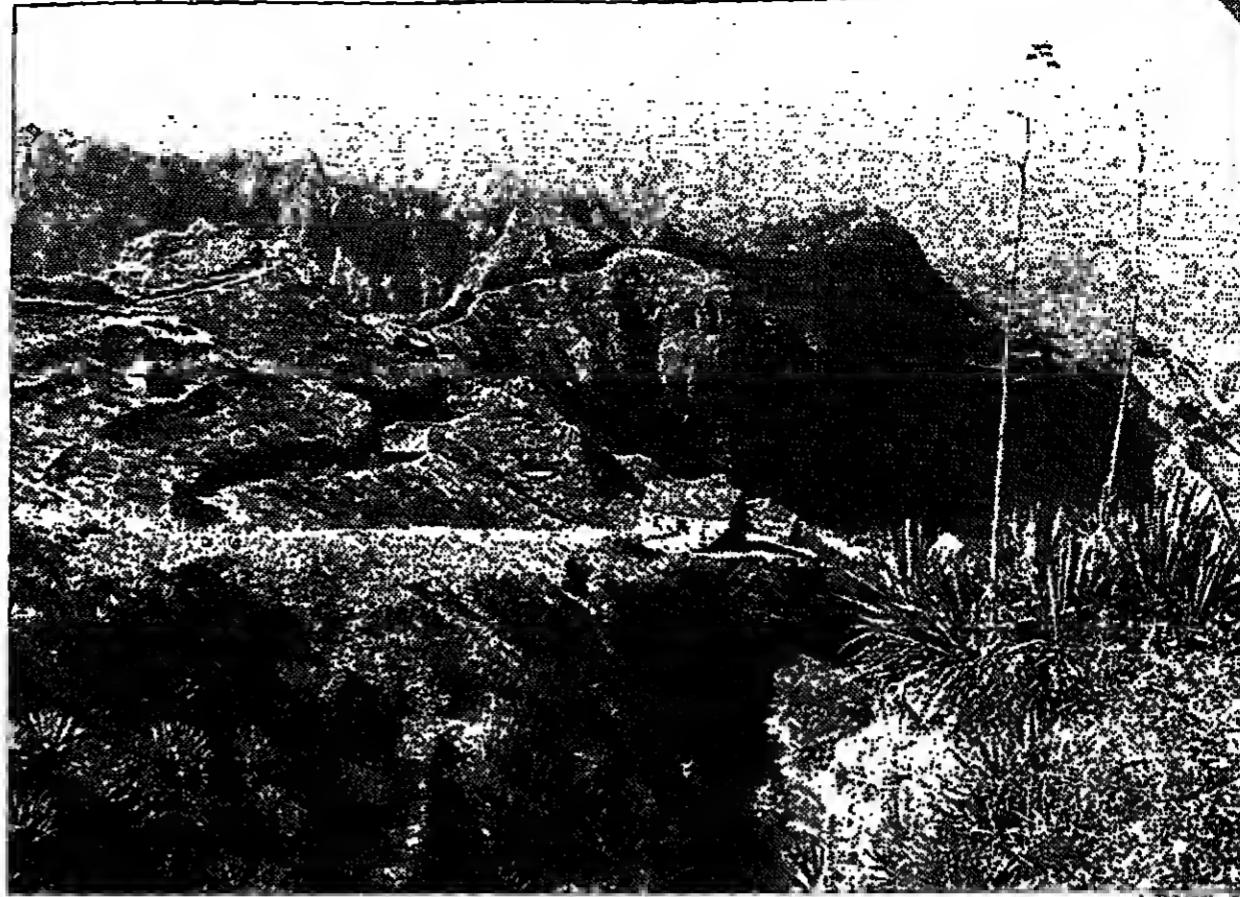
Initially the road ran through mostly flat terrain, greened by some of the millions of acacias being planted every year to stabilize the soil in desert areas and hillsides. After the village of Ribeiro Chiqueiro, the road began to rise and wind through towering, jagged crags and plunging valleys cloaked in corn and sugar cane. The greenness made it almost incomprehensible that the corn crop was failing from lack of water.

Somewhat scruffy little villages, often exploding with purple and scarlet bougainvillea, brimmed with friendly families, pigs and chickens. Tarrafal, a fishing village in awkward transition to a resort, is rather marred by half-built vacation homes. A handsome beach runs north from the village, below a cliff. Steps lead down to the stone bungalows where we stayed, called the Bala Verde, in a palm grove edging the beach.

And there were the monkeys, with graceless long tails and preoccupied faces, playing between the palms.

The attractive Hotel Tarrafal, which opened 18 months ago near the town's old stone jetty, has an almost clinically white decor and a pleasing dining room. It is patronized by foreigners and well-heeled Praians. You can also eat at its polar opposite, owned by the Bair Verde, a modest, thatched restaurant, which is noisy, fun, and crowded on weekend evenings.

In general the food, which is European-influenced, tends to be somewhat bland, except for some of the local dishes such as goat stew and roast kid. Cape Verdian lager is excellent, and fish is superb. Pineapple and pudim (crème caramel) are popular desserts. Cachupa



Santo Antao, a rough, hourlong ferry ride from Mindelo, is a paradise for hikers.

resembles cassoulet, made with corn, beans and various meats. It's tasty and filling at breakfast too, served with fried eggs and ham.

**BARE VOLCANIC ISLE** Our next port of call was Sao Vicente, John's island. This bare volcanic isle, its hills flaunting uncanny hues of burnt sienna, ochre, terra cotta and sage, shadowed in navy blue, has a beauty all its own. The air strip, where our half-hour TACV flight landed between two barren ranges could have been in the Middle East. But as we drove into Mindelo, population 50,000, we saw groves of acacia flanking the road. The bay, with its twin headlands, yachts, ships and oil storage tanks, opened up ahead of us.

Unlike Praia, Mindelo, hub of Cape Verdian intellectual and cultural life, is fairly compact and feels like a real town.

A fine view of it can be had from the emphysema prison on top of Miradouro Hill. A road runs near the water, past the fish market and the bold silhouette of a scaled-down 1920s version of Lisbon's medieval tower, the Belém. Halfway along it passes the French Cultural Center with its wrought-iron balconies.

From the esplanade, a wide street leads to the central square, where we saw the magical 19th-century Pint Palace, once the Portuguese governor's residence but now Sao Vicente's council offices. And behind it, John recognized his old home, a simple Georgian-style house, which might have strayed from an English country town.

Our hotel, the Aparthotel Avenida, had lots of somewhat depressing mahogany-stained wood and a gloomy goldfish circling an aquarium on the long staircase up to our room. But it was central, with a

view of the esplanade and harbor, and cheaper than the nearby large, newly renovated Porto Grande Hotel.

Santo Antao, an island that is a rough, hourlong ferry ride from Mindelo, is a paradise for hikers. The truly fit, armed with good directions, can be dropped off by minibus on top of the mountain, to walk down the Paul River valley via Passagem, to the coastal village of Paul, one of the loveliest trails. Or you can go up to Passagem by minibus. Tropical fruits grow thickly along the valley; butterflies flutter around wild gardenias, and there's scarcely a tourist in sight.

As yet, polishing is needed before the islands will draw the less resolute tourist. For now, these rough diamonds remain a largely undiscovered treasure.

Patricia Beeson, a writer in Toronto, wrote this for *The New York Times*.

## MOVIE GUIDE



From left, Benz Gayheart and McGowan in "Jawbreaker."

Joel D. Walker/Century 21

### JAWBREAKER

Directed by Darren Stein. U.S.

In Darren Stein's "Jawbreaker," the nasties are back. I refer to those high-school princesses whose stiletto heels have trod on the sensibilities of all geeks, freaks and lowlifes in such comedy-horror flicks as "Carrie," "Heathers," "Clueless" and "Wild Things." But, in "Jawbreaker" at least, the kissable beauties seem to have lost their girl power. Stein, who grew up on the back-stabbing fantasies of John Hughes, Wes Craven and Brian DePalma over the last 20 years, creates four (or five) fearsome princesses, who terrorize their fellow students with all the familiar tics and tricks, but he brings nothing new to the table. Meet "the Flawless Four," Reagan High School's hottest, most exclusive girl clique. Courtney (Ross McGowan) is the group's nasty leader; her slavish followers are Marcie Fox or "Foxy" (Julia Benz). Courtney's inexhaustible sucking: Julie (Rebecca Gayheart), who's unfortunately burdened with a conscience, and Liz (Charlotte Roldan), the nicest member of all who gets the worst birthday surprise of her life. On the morning she turns 17, Liz is awakened by masked intruders (her three friends in disguise) who tuss her, shove a jawbreaker into her mouth, gag her and toss her into the trunk of their car. But when they pull up to the restaurant, where they plan to treat Liz to pancakes, they find the group has dwindled to three. It seems poor Liz didn't chew before she swallowed. Stuck with a stiff Courtney takes charge. They return Liz to her bedroom, intending to stage a rape scene. But Fern Mayo (Judy Evans Green), a school geek, arrives in the wrong place at the wrong time and Courtney has a witness problem. Why sit through a lesser imitation, when you could just rent those other movies for a far more enjoyable time?

(Desson Howe, WP)

quite well here with the more complex character of the monitor, a sometime bumbler forced to rise to the danger around him. He is ably guided in the plot by his crafty and hilarious anarchistic grandfather (Luis Cuena). The monitor's youngish aunt (Adriana Ozores), who runs a boarding house where much of the action transpires, delivers an impressive performance as a strong woman who faces adversity. Her role helps the director capture the complexity of human emotions during war — terror, guarded humor, hope against hope. The protectors of the Goya portrait, including the monitor's hard-luck girlfriend (Leonor Watling), must outwit Franco loyalists who are sowing discord in Madrid. They make repeated references to Goya and his majestic canvases that depicted the horrors of war. But the film, which has an engrossing rhythm and richness, subs to at the finale, which stretches credibility and is not quite a match for the earlier sections. (Al Goodman, IHT)

### LOCK, STOCK AND TWO SMOKING BARRELS

Directed by Guy Ritchie. U.K.

Guy Ritchie's brash, ebullient direction of his first feature, "Lock, Stock and Two Smoking Barrels," makes it very obvious that he boned his style making music videos and commercials. And for once that doesn't hurt. The punchy little flourishes that load this gangster film with attitude are perfectly welcome, because there's no honest, substantial part of the movie they can hurt. Ritchie makes a fine feat of macro gamesmanship out of the way four sets of East End London crooks keep outsmarting one another. And if that means baving them all arm for battle while the "Zorba the Greek" theme music heightens the intensity of the moment, well, why not? Touches like that, along with flashy, random shifts of film speed and a true rogues' gallery of striking if one-note characters, do hold interest. The commercial aspects also deflect attention from the fact that this story has almost no center at all. The closest it comes to heroes are the four savvy young con men whom the film introduces first. Ritchie brings on Eddie (Nick Moran), Tom (Jason Flemyng), Bacon (Jason Statham) and Soap (Dexter Fletcher) as if they were the "Train-spooning" crew, but the story soon begins to lose them in the shuffle. With a big debt to "The Usual Suspects" and "Reservoir Dogs," Ritchie revels in the sheer knottiness of all the scheming. He makes it lively while it lasts and empty when it's over. (Janet Maslin, NYT)

## Tourism vs. Preservation at Amazing Angkor

### Rewards and Risks Of Seeing a Wonder

By Mia Turner

**S**IEM REAP, Cambodia — When he first saw the temple of Angkor Wat rising out of the jungles of Cambodia, the French explorer Henri Mouhot was transfixed. "Ah, if only I was as talented with the pen of a Chateaubriand or a Lamartine," Mouhot wrote in 1868, "or with the paintbrush of a Claude Lorrain, then I could make known to my artistic friends how grand and beautiful are these incomparable ruins, the only remains of a people who are no more."

The magic of the 259 temples on a 40-square-kilometer (15-square-mile) wooded area around the northern town of Siem Reap holds a visitor in thrall. And thanks to the return of peace to this war-tattered land, more people than ever can now experience it. Siem Reap has more visitors coming now than at almost any time in nearly 30 years.

For the first time since the 1970s, hotels and guest houses here boasted 100-percent occupancy rates during last month's Chinese New Year, a traditional time for travel in Asia. The 18-room French-designed Angkor Village was fully booked weeks in advance. The luxurious 131-room colonial-era Grand Hotel has been charging more than \$310 a night and getting it.

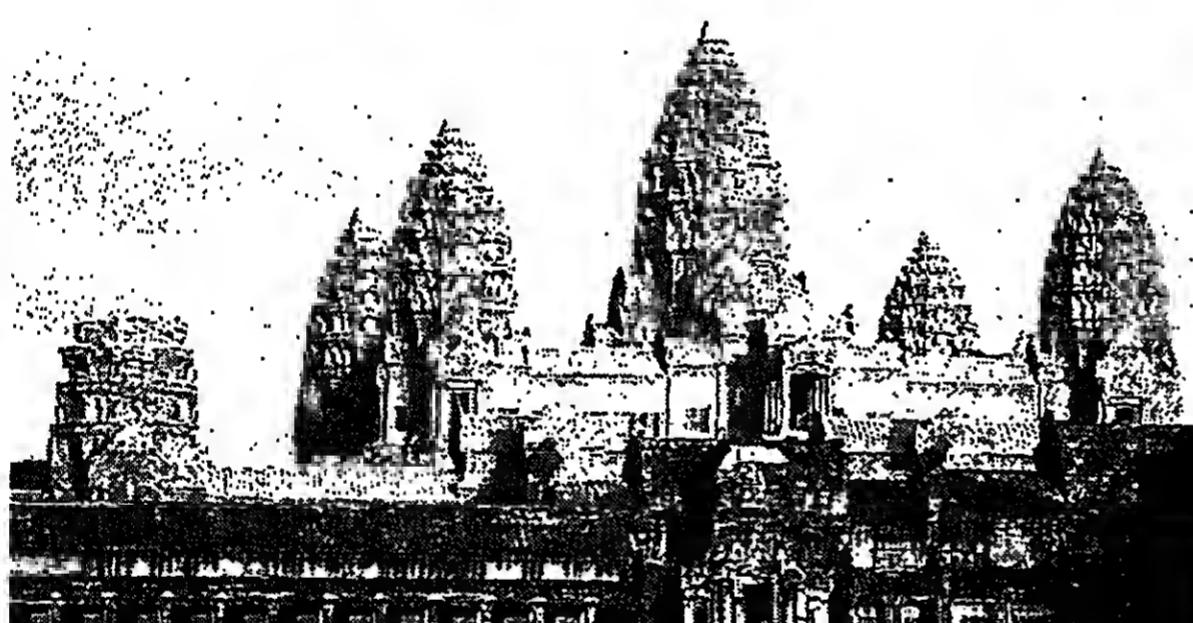
The explosive influx of tourists to Siem Reap is a change few could have foreseen last summer when Cambodia's fragile stability seemed yet again on the brink of collapse. Critics of Cambodia's elections on July 26 accused the government of electoral fraud. In August unidentified assailants threw a grenade outside the Interior Ministry in Phnom Penh, killing the Cambodian driver of a Japanese news agency.

But after establishing its government in November, Prime Minister Hun Sen has managed to make peace less illusory. He is gaining ground as he wins support internationally and domestically.

"People are tired of the war. They want peace in order to get on with their lives," said a Western aid worker in Phnom Penh. "Finally there is a government with one person in charge and finally they can think of reconstruction."

**MYSTICAL MONUMENTS** Those who visit Angkor are rewarded with breath-taking tours of monuments as mystical and extraordinary as the ancient Mayan city of Chichen Itza in Yucatan, Mexico, or the Incan remains of Machu Picchu in the Peruvian Andes. But like Peru, Cambodia has had its share of bad press — deservedly, some would say. The most recent guidebooks on the country do not inspire confidence.

Warnings about land mines, kidnappings, robberies and political instability share space with hotel listings, restaurant reviews and other travel advice. Indeed, the remains of war, including the millions of land mines, are real enough dangers, as the numbers of damaged people show. Travelers must contend with the uncomfortable feeling that they are taking a risk. Rising and falling tourist figures are a barometer of



The main temple of Angkor Wat rising out of the jungle at Siem Reap. Peace has ushered in the tourists.

political instability. The number of visitors plunged by 43 percent in 1997, when the country was shaken by Hun Sen's coup against his co-prime minister, compared with a phenomenal 231 percent rise in 1994 — in the aftermath of the signing of the 1991 Paris Peace Agreement and the arrival of UN soldiers to help implement it.

The death in 1998 of the Khmer Rouge leader Pol Pot, the surrender last December of his two leading deputies, Kieu Samphan and Nuon Chea, and the establishment of the current government have helped to put Cambodia, and in particular Angkor, back on the tourist map. In November, 2,094 visitors arrived in Siem Reap, double the number from the same period a year earlier. The boom is fueled by an agreement with Thailand that allows direct daily flights to Siem Reap from Bangkok.

Since 1995 members of the University of Applied Sciences in Cologne, Germany, have been working on preserving 1,350 bas-reliefs in the Angkor Wat temple. Italy has sent structural engineers, like Vittorio Gallinari, to find ways to prevent the towers of Preah Khan, administrative assistant for Unesco's Siem Reap office. "Unesco has no power to protect these areas. This is the power of the royal government."

But Unesco is not the only one worried. Foreign governments are giving generous support to preserving this piece of the world's heritage. In 1994, for instance, Japan began a four-year project to restore the Northern Library of the Bayon temple.

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Monuments to religion like Angkor Wat had no place in the Khmer Rouge's ideology. "The temples were not destroyed, either," Chan says. Instead, during the Khmer Rouge period (1975-1979) reliefs from this historic site reportedly found their way into the hands of overseas buyers.

After a previous peace accord signed in Paris in 1991, Cambodia's King Sihanouk made the preservation of these magnificent temples a priority, and in late 1992 Unesco declared the Angkor monuments a World Heritage site. Today Chan has turned his familiarity with them into a profession. Trained by Unesco, Chan leads his visitors through the 15 sites now open to the public, recounting the tales of Khmer kings who once ruled this stone citadel.

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## GOOD TRAVEL DEALS

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		Round-trip from London Heathrow to Cape Town or Johannesburg for £181 (\$290). Conditions apply. For departure before March 30. Trailfinders (44-171) 938-3366.	
AIR NEW ZEALAND		Singapore	Singapore stopover promotion allows travelers in Thailand, Indonesia, Brunei, India, Sri Lanka, the Philippines and China with a round-trip ticket to New Zealand via Singapore to claim a one-night stay at a symbolic \$1 at the Copthorne King's Hotel, Copthorne Harbour View or Copthorne Orchid Hotel in Singapore. Until June 30.
AIR NEW ZEALAND	Hong Kong to New Zealand		Business-class passengers can claim a free round-trip transfer to Chek Lap Kok Airport. Until June 30.
BRITISH AIRWAYS	Britain to United States		Round-trip London Heathrow to New York JFK or Newark from £199 (\$316), including tax; Miami from £208; Phoenix from £300. Must book by March 31 for departure before April 30. (44-141) 222-2345.
BRITISH AIRWAYS	United States to Europe		U.S. Executive Club members who buy a full-fare round-trip business-class ticket from or to any destination served by BA can claim a free companion ticket in any class to any BA destination in the world. Travel must be completed by April 15. <a href="http://www.britishairways.com">www.britishairways.com</a>
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VIRGIN ATLANTIC	London to Shanghai		Round-trip for £371 (\$593), plus tax, from Heathrow. Some conditions apply. Must book by April 16 for departure between May 22 and June 30.
CHESTERFIELD	London		Three nights for two people for £399 (\$638), plus VAT, over Easter weekend includes Easter Sunday lunch, dinner on one night, afternoon tea on one day, English breakfast each morning and a gift. For arrival April 2, departing April 5. (44-171) 491-2822.
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HYATT	Germany		"Pay 1 — Stay 2" package offers two nights for the price of one at Hyatts in Cologne, Mainz, Hamburg and Berlin; includes American buffet breakfast, use of fitness club and late check-out. March 31 to April 5.
HOLIDAY INN	Golden Mile, Hong Kong		Rooms from \$101 a night include free local calls, in-room fax in some rooms, discounts in restaurants, business center and laundry. Until March 31. (852) 2313-4305.
HOTEL NIKKO	Hong Kong		Winter rate from 988 Hong Kong dollars (\$127) a night includes discounts in hotel restaurants, laundry and dry cleaning. Until April 10. (852) 2313-4305.
MALMAISON	Newcastle and Manchester		Two-night weekend package for £420 (\$672) for two people includes breakfast and dinner and two body treatments per person (choose from massage, facial, back treatment). Until May 31. Newcastle (44-191) 245-5000; Manchester (44-161) 278-1000.
RADISSON SAS	Beijing		Singles for \$99 a night. Until April 30.
THE REGENCY	Bangkok		Business package for \$200 single (\$220 double) a night includes American breakfast and round-trip airport limo transfers. Minimum two-night stay. Until April 4.
STRAWBERRY HILL RESORT	Jamaica		Three- to seven-night packages from \$1,635 to \$3,500 per person include Continental breakfast, airport transfers from Kingston, tax and service, use of spa facilities, guided walks and bicycles. Until Dec. 15. (1-305) 531-8800.

Compiled by Roger Collis/Although the HTT carefully checks these offers, please be forewarned that some travel agents may be unaware of them, or unable to book them.

## BOOKS

MY PILGRIM'S PROGRESS  
Media Studies, 1950-1998By George W.S. Trow. 279 pages.  
\$24. Pantheon.

Reviewed by Richard Bernstein

**T**HE FIRST thing to note about George W.S. Trow's new book is that, as with his best-known previous work, the cult classic "Within the Context of No Context," there is something interesting on every page and something brilliant on many of them.

In "My Pilgrim's Progress," Trow, who was a staff writer at The New Yorker for almost 30 years, continues his jazzy, epigrammatic love-hate relationship with the contemporary culture.

The main idea, largely developed by Trow's examination of "Mainstream American Cultural Artifacts," is that the protective solidity of the American culture that existed at mid-century has vanished, even if we do not realize just how complete the disappearance was. He meanders through the cultural and political landscape, making penetrating, knowledgeable and entertaining observations and evoking a stark cleavage in the culture that began forming around his chosen baseline date of 1950.

Trow uses many ways to describe what came after the cleavage: "our national culture of irony and anger," the aesthetic dominance of an "unreal, speeded-up violence," "a desperate, dissolving situation," a rock 'n' roll culture whose triumph over the old aesthetic was so complete that "it obliterated any real sense of the context to which it was juxtaposed."

In any case, you get the picture: What has happened is not good, though it is very interesting. It can be observed in numerous "Mainstream American Cultural Artifacts." And it has something to do with television, that new thing that lurked almost invisibly in the

shadows of 1950 and grew into a vicious monster.

Trow's manner of expression is in its way as much a "Mainstream American Cultural Artifactual" as the movies, books and musical productions that he analyzes so acutely. It, too, marks a cultural cleavage, between the studied informality of the second half of the century and the formal discourse of the rest of literary history. "So let's rock and roll with this," Trow writes as he makes a transition from one point to another. "Not quite free-associate; my mind doesn't work that way. I just trust the circularity of it. Let's start anyway. The Beatles, 1965."

The transition Trow makes at that point is between the demise of the Churchillian aesthetic of the 1950s and the appearance of "Dionysian avatars" like the Beatles' tragic hero, John Lennon.

As always the argument is rich and suggestive, like many others in this book. Indeed, the temptation in reviewing "My Pilgrim's Progress" is to list a few of Trow's many interesting points. For example, he attributes the increase in violence in the movies to an underlying and ever-increasing commercial need for what he calls a "hyperactive quality" that is most easily satisfied in violence and car chases. He then adds a brief history of movie car chases, beginning with Steve McQueen's in "Bullitt" (1968).

Or there's his wonderfully despairing vision of television production in which a straight line can be drawn from "Howdy Doody" (the "sub-basement of a Shirley Temple movie") and the "awareness-of-evil-and-cynicism business of The Simpsons." Not only are Howdy and the Simpsons linked in this linear history of television, but the qualities that link them are juxtaposed with other cultural products, specifically the David Letterman show, whose stock in trade is irony. (Trow calls it irony, though

derision might be a better word.)

But there is a deeper, connecting point here as well, one worth bearing in mind. If derision (or irony) is a sensibility of the age, where does it come from? Trow finds its origins in the very cultural disjunction that is his main subject. We have, he writes, repudiated "the Old World of masculine honor" that was itself linked to a hard core of struggle. We live at a time, he observes, when there have never been more people on earth and less starvation. Paradoxically as we are, unacquainted with a "moment of true physical exhaustion after a day of work in the mines," we "were going to have to grow up to be entirely ironic in our visceral reactions to our own manhood."

Elsewhere, Trow studies the career of Faye Emerson, the subject of a lengthy profile in The New York Times of 1950, when headlines were about the national coal strike. Churchill's memoirs of World War II and the hydrogen bomb. Emerson enters the picture as "our first personality known for being a personality." She represents in this sense the disjunction between the old world of 1950, grounded in the bitter fights against the Nazis and the Depression, and the lightweight world of television in which neither historical nor cultural contexts exist. Trow's comment on this is a marvel of sardonic clarity: "My overview of the civilization as presented in The New York Times of Feb. 1, 1950," he writes, "is that in World War II, the Germans lost, and Faye Emerson won."

As he slices transgressively through the decades, Trow gives himself away. He is an old-fashioned curmudgeon who writes with hip, new-fashioned flair. His tour of the media and the politics of the last half century is solidly grounded in a moral tradition that we are in danger of losing, which is reason enough for lingering and contemplating this original, provocative and possibly prophetic book.

New York Times Service

## BRIDGE

By Alan Truscott

FOR the first time in nearly half a century, there will be no world championship this year. That is only just true. The Bermuda Bowl and the Venice Trophy, usually played in the fall, will be played in Bermuda in January.

An American team of past world champions is expected to be among the favorites in the Venice Trophy for women's teams.

Kathy Wei, Betty Ano, Kennedy, Juanita Chambers, Stasha Cohen, Jill Blanchard and Irina Levitina began their preparations in Scheveningen, Netherlands, by compet-

ing in the Forbo International Team Tournament.

Wei and Kennedy, who were teammates for many years on major occasions, have formed a new partnership.

Kennedy has defected to her partner's strong preference and adopted the Precision System, which accounts for the opening one club on the diagrammed deal from a recent practice game. A natural sequence then led to six spades and a diamond was led.

Wei had two finesse available and took neither. She won with the diamond king, cashed the heart ace and led the heart queen. When East played low she ruffed and West led the diamond five.

The spade ace was the appearance of the king was a pleasant surprise, and South made an overtrick by establishing the fifth heart in the dummy.

If the spade king had not appeared, South would have continued, driving out the king. After a minor-suit return, she would have won in dummy, ruffed a heart and removed any remaining trumps.

There would still have been two entries to the dummy, to secure another ruff and score the last heart for the 12th trick.

Notice that a routine spade finesse at the second trick would have left South in jeopardy. She would have had to

guess well in hearts to survive.

NORTH (0)  
+K  
+QJ74  
+AK73  
+AK

WEST  
+K  
+QJ74  
+AK73  
+AK

EAST  
+K  
+QJ74  
+AK73  
+AK

SOUTH  
+K  
+QJ74  
+AK73  
+AK

Both sides were vulnerable. The bidding:  
North: 1♦  
East: Pass  
South: 1♦  
West: Pass  
North: 2♦  
East: Pass  
South: 2♦  
West: Pass  
North: 4NT  
East: Pass  
South: 3♦  
West: Pass

Both sides were vulnerable. The bidding:  
North: 1♦  
East: Pass  
South: 1♦  
West: Pass  
North: 2♦  
East: Pass  
South: 2♦  
West: Pass  
North: 4NT  
East: Pass  
South: 3♦  
West: Pass

## THE FREQUENT TRAVELER

## High-Tech Hotels of the Future

By Roger Collis  
*International Herald Tribune*

**B**ACK in my corporate days (I go back a long way), you could expect a quiet, spacious room and a comfortable bed with a telephone on the night-table, a radio with local news, an armchair, a shaving mirror, a shower that worked, and a wardrobe with wooden coat hangers that you were tempted to walk away with.

High-tech means a reflex in reception (remember the telex?) and a gizmo I recall called "Magic Fingers." Put a quarter in the slot and the bed would vibrate for 15 minutes, saving you counting sheep. You had to go through the operator for long-distance calls ("There's a two-hour delay for Madrid"), so the office was safely out of touch and you'd be left to worry in peace.

Slow dissolve (via multichannel satellite TV, mini-bars, hair dryers, power showers, bathroom phones, back-lighted mirrors and in-room tea- and coffee-making facilities) to the millennium. Road warriors today are driven by communications technology — the need to be totally wired at all times, which both facilitates and requires higher productivity. The hotel room has become a "command center" from which one manages business with customers and the office as though one were in the office. Travelers want to be independent in control, not dependent on hotel services; they want to do it all in their room, around the clock.

Hotels have responded. Hyatt came up in 1997 with its Business Plan at 90 hotels in the United States and Canada. For an extra \$20 a day on any room rate, guests get a raft of benefits including a large desk, fax machine, desk telephone with computer hook-up, enhanced lighting, free local calls and no access charges on toll-free and credit card phone calls.

"We've found that almost two-thirds of business travelers in America use laptops on the road," says Norm Carnegie of Hyatt Hotels in Chicago. "So

someone can print out what they're doing

ing in the room rather than going to the business center. People are looking for instant convenience, lack of hassles and the ability to be productive when they want to be productive.

"We already have two-line phones with data ports. But the biggest thing is the Internet, and where does that go? We're testing systems for getting people connected — especially with high-speed data links. There's an interactive cable vehicle through the television set, which has a lot of potential because the band width is huge, but the industry hasn't yet evolved to the point where you can experience this — it's like having a 50-lane highway and a half-lane exit ramp."

Alastair Forbes, business development director of Quadriga, a provider of in-

house properties — the Hilton Heathrow, the Langham Hilton and the Hilton Park Lane. PCC Powerdesk is a PC hidden away in a wooden desk in the room. It comes with a fax/e-mail/internet access, a laser printer (stashed in the bottom drawer), scanner and CD sound system.

Access to the Powerdesk is through a smart card, which you buy at reception, costing £15 (\$24) for an hour and £30 for up to four hours use. You can use the card at other hotels with Powerdesks. You can bring your own floppy disks or buy disks at the hotel. You also have access to Microsoft Office, the internet, games and shopping, CDs from the hotel library and, via PCC Mall, market information, entertainment and sport.

You can find Powerdesks at more than 30 Comfort, Clarion and Quality hotels in Norway and 15 in Sweden; the Stanhope in Brussels; the Grand Hotel Duomo in Milan, and the Ritz in London.

Nigel Massey, a hotel consultant in London, balks at this stuff. "There's a blind assumption in the hotel industry that everybody is into high-tech," he says, "so they stick all this kit in and what you actually do is alienate your guest when he can't figure out how to use the stuff and is too embarrassed to phone down and ask. We did quite an amusing lifestyle survey at the Halton in London, which has the last word in high-tech, among 150 males and female guests from Europe and the United States. Men see rooms as an extension of their office and use all the available facilities. But women see their rooms as places of relaxation rather than communication. Only 8 percent use the technology, compared with 39 percent of men."

"Hotels are in danger of introducing too much high-tech at the expense of the human-service element," he continues. "I'm fed up speaking to voice mail, I want to speak to a person. Does anybody speak English? Does anybody speak?"

Roger Collis can be reached by fax at (134-1) 93-74-77-92.

## ARTS GUIDE

## BRITAIN

**LONDON**  
Barbican Art Gallery, tel: (171) 838-8991, open daily. To March 28: "Africa by Africa: A Photographic View." Spanning the production of African photography since the 1920s, the display examines the role of studio photography and its insight into social Africa. [www.barbican.org.uk](http://www.barbican.org.uk)

Royal Academy of Arts, tel: (171) 300-8000, open daily. Continuing. To April 18: "Monet in the 20th Century." Features 80 paintings completed in the final decades of the artist's life.

**WOLSEY**  
Kunstmuseum, tel: (5361) 266-90, closed Mondays. To June 8: "Avalanche: Art and Fashion in the Twentieth Century." Demonstrates the flow of inspiration between the two worlds through more than 250 works in painting, printmaking, fashion design, photography and film. [www.wolsey.org.uk](http://www.wolsey.org.uk)

**CANADA**  
TORONTO  
Art Gallery of Ontario, tel: (416) 977-0414, closed Mondays and Tuesdays. To April 18: "French Drawings From the Horvitz Collection." Covering the period from the late Renaissance through Neoclassicism, the exhibition features 110 drawings by Boucher, Fragonard, Lorrain, Poussin and Watteau. Subjects range from landscapes and portraits to figure and compositional studies. [www.ago.net](http://www.ago.net)

**FRANCE**  
PARIS  
Centre Georges Pompidou, tel: 01-40-78-12-33, closed Tuesdays. Continuing. To April 26: "David Hockney: Espaces/Paysages." Bringing together approximately 50 paintings, photographs and installations exploring landscapes, a recent orientation in the work of the British painter (born 1931). [www.cgp.fr](http://www.cgp.fr)

**NETHERLANDS**  
ROTTERDAM  
Kunsthal, tel: (010) 44-00-300, closed Mondays. To July 4: "Cavers: Picasso's entire career from the early 'blue' and 'pink' periods to his later years in the South of France." [www.kunsthal.nl](http://www.kunsthal.nl)

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An auto worker passing a stopped production line at the Hyundai Moto Co. plant during a strike last year in Ulsan, south of Seoul. The Hyundai conglomerate is one of the giant chaebol targeted for major reform efforts by the government and South Korean activists.

## South Korea Seeks Reform, Tentatively

Activists and Government Work to Break Grip of the Conglomerates

By Sandra Sugawara  
*Washington Post Service*

SEOUL — Haesung Jang slumped back in his chair, exhausted. The professor of finance at Korea University had changed his cellular phone number twice, but all his phones rang relentlessly.

This outspoken advocacy of shareholder rights and free markets has made him a celebrity of sorts here. He was unprepared for the onslaught of attention, figuring it would take several years before a shareholders' rights movement gained any credibility in South Korea, where tycoons are accustomed to running their companies with a fist.

But then came the economic crisis of late 1997, which caused South Korea to ask for a \$50 billion international bailout. In return for a massive rescue package, its newly elected president, the former dissident Kim Dae Jung, agreed to restructure the nation's closed and debt-ridden economy and embrace the free market.

A key target of economic reform is the dominance of the nation's large family-controlled business groups, known as chaebol, which ran up dangerously high levels of debt through their expansion into a wide variety of industries.

See CHAEBOL, Page 14

## Beijing Calls For Increase In Lending

**Foreign Banks Warned Not to Withdraw Credit**

BEIJING — Chinese banks will increase lending to private enterprises and other companies outside the state sector to spur economic growth, the chief of the central bank said Thursday.

At the same time, other top central bank officials have bluntly warned foreign banks against withdrawing credit and investment from the country, saying they may jeopardize future opportunities.

The comments on lending by Dai Xianglong, governor of the People's Bank of China, dovetailed with plans by the National People's Congress, now holding its annual session, to amend the constitution to emphasize the importance of private enterprise in the Chinese economy.

The Chinese private sector has grown despite difficulties getting loans from state banks. The government is counting on private enterprise to absorb many of the millions of people laid off from debt-ridden state factories.

"We attach great importance to the development of the nonstate sector," Mr. Dai said at a news conference.

The central bank would encourage state-owned banks to lend to small private businesses by allowing them to charge higher interest rates.

Mr. Dai gave no specific figures about how much lending to the nonstate sector would increase. Such loans accounted



Dai Xianglong taking questions after he announced the easing of credit.

for 42 percent of the \$1.05 trillion issued by all financial institutions in 1998, an increase of 3 percent from the previous year.

The nonstate part of China's economy is a broad mix of private businesses, collectives and foreign-invested ventures.

The official *Liberation Daily* on Thursday quoted the director of the People's Bank of China's powerful Shanghai regional branch, Wu Xiaoling, as saying it was "to be expected" that China would encounter difficulty and risk in its long-running financial reforms.

"From 1995 to now is the peak period for issuing Chinese financial laws," she was quoted as saying. "It can be said that the most disorderly period in China's financial industry has already passed."

"What follows is really the greatest development period," she told the founding meeting of an industry association including both foreign and local bankers.

She warned foreign banks that if they

(AP, AFP, Bridge News)

## CURRENCY RATES

Cross Rates		Other Dollar Values						March 11		March 11					
		Country	Per S. Currency	Country	Per S. Currency										
London (d)	—	2,3941	195.32	2,476	11,158	492.81	12,982	Austria	0.8785	0.8785	1,0277	1,0277	1,0277	1,0277	1,0277
New York (d)	—	1,6364	1,4536	1,5245	1,5255	6,8345	291.56	Bulgaria	0.4245	0.4245	0.4245	0.4245	0.4245	0.4245	0.4245
Tokyo	119.65	194.55	82.03	—	78.57	17.64	N.G.	14.78	1,6354	1,4536	1,5245	1,5255	6,8345	291.56	291.56
Toronto	1,5243	2,496	1,048	1,277	—	0.2261	0.5224	0.1895	1,6354	1,4536	1,5245	1,5255	6,8345	291.56	291.56
Zurich	1,4743	2,3951	—	1,2274	0.9685	21,4438	0.4961	2,1803	—	—	—	—	—	—	—
One euro	1,0891	0.6694	1,5972	131.00	1,6586	7,4327	321.60	9.831	—	—	—	—	—	—	—
One SDR	1,3639	0.8401	1,9932	165.03	2,0785	9,2855	399.76	N.G.	—	—	—	—	—	—	—

Interest rates excluding commissions															
a: To buy one pound is to buy one dollar. *Per 100 M.G. not quoted; N.A.: not available.															
SDR: Special drawing rights of the IMF.															
Sources: Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); Banque de France (Paris); IMF (SDR). Other data from Reuters.															
Euro Values															
Fixed rates of the EMU member currencies, for one euro:															
French franc	12,7603	1,6364	1,4536	1,5245	1,5255	6,8345	291.56	2,1803	—	—	—	—	—	—	—
Belgian franc	40,3999	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Swiss franc	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495
German mark	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495	5,6495

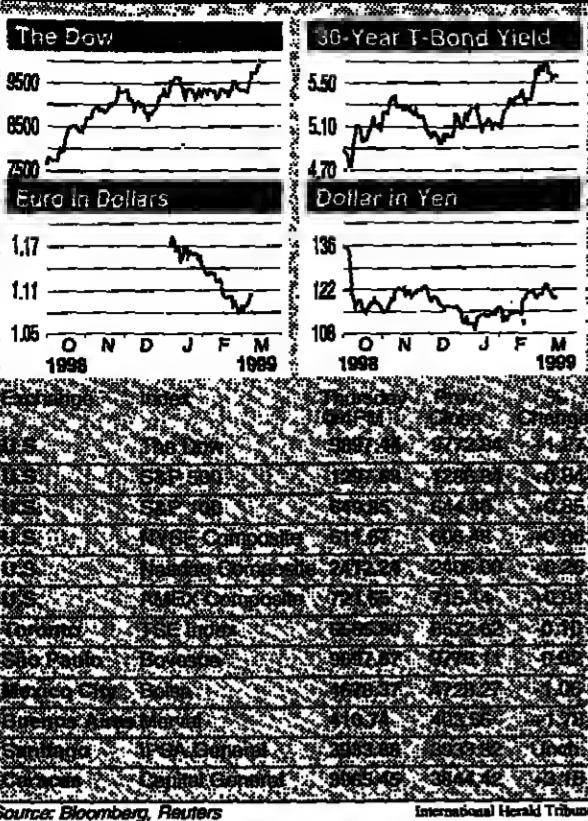
European Cross Rates															
Am. Euro	Balt.	Fr.	FF.	DM.	Int.	Lira	Nrl.	Port. Spain							
12,7211	37,293	5,6495	4,6442	1,2081	0,7281	1,7810	2,2073	18,534	15,3432	—	—	—	—	—	—
20,6458	61,8284	5,9294	5,9293	2,0520	1,1829	2,9703	3,2096	30,179	24,9235	—	—	—	—	—	—
9,51	32,687	22,08	19,98	6,1638	3,677	57,46	6,8	6,7876	—	—	—	—	—	—	—
—	24,1109	2,7143	2,0077	7,0955	7,02	4,7077	4,3442	4,8204	5,3731	—	—	—	—	—	—
1,6211	4,7497	4,6442	5,9294	3,24	7,5495	3,2071	2,9766	2,9766	2,9766	—	—	—	—	—	—
1,6211	4,7497	4,6442	5,9294	3,24	7,5495	3,2071	2,9766	2,9766	2,9766	—	—	—	—	—	—
1,6211	4,7497	4,6442	5,9294	3,24	7,5495	3,2071	2,9766	2,9766	2,9766	—	—	—	—	—	—
14,5995	40,939	33,7187	35,5327	9,9102	9,2485	19,51	17,984	19,51	19,51	—	—	—	—	—	—
20,6458	1,6211	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16,6286	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Source: Associated Press

## Retail-Sales Data Propel U.S. Stocks

## THE AMERICAS

## Investor's America



Source: Bloomberg, Reuters

International Herald Tribune

## Very briefly:

- Ingram Micro Inc., a distributor of personal computers based in Santa Ana, California, will cut 1,400 jobs, or 12 percent of its work force, and warn of disappointing first-quarter earnings because of price-cutting and slower sales abroad. Ingram shares fell 12.15 to close at \$19.75.
- UBS AG of Zurich is buying Bank of America's international private banking activities in Europe and Asia in a deal that would add more than \$6 billion to its assets.
- Ogden Corp. will split into two publicly traded businesses, one for its energy operations and the other for entertainment and aviation.
- Land's End Inc.'s fourth-quarter earnings fell 21 percent as higher costs and markdowns on excess inventory offset an increase in sales for the catalog retailer. *Reuters, Bloomberg, AFP*

## Icahn Opposes RJR's New Plan

International Herald Tribune

**NEW YORK** — Carl Icahn, the investor and sometime corporate raider, said Thursday that he was launching a proxy battle to wrest control of R.J. Nabisco Holdings Corp. because he opposed the method the company had chosen to break itself into separate food and tobacco operations.

Mr. Icahn said R.J. Nabisco should retain its U.S. tobacco company and give its 80.5 percent stake in Nabisco Holdings Corp. to its shareholders. Mr. Icahn is R.J. Nabisco's biggest known stockholder, with a 7.7 percent stake.

RJR Nabisco announced Tuesday that it would spin off the U.S. tobacco operations into a new company, R.J. Reynolds Tobacco Co., leaving its 80.5 percent stake in Nabisco Holdings Corp. as R.J. Nabisco's sole asset.

Mr. Icahn's announcement said, "I believe that the marketplace would place a proper valuation on Nabisco as a free-standing company, separating it completely from RJR."

RJR's shares closed unchanged at \$30.

## U. S. STOCK MARKET DIARY

Thursday, March 11										
Most Actives										
Indexes										
Dow Jones	Open	High	Low	Last	Chg.	Vol.	High	Low	Last	Chg.
Indus. 9,628.96	9,598.46	9,625.00	9,595.44	9,625.00	+22.44	1,000	9,625.00	9,595.44	9,625.00	+22.44
Trans. 1,070.41	1,065.41	1,070.41	1,065.41	1,070.41	+2.41	1,000	1,070.41	1,065.41	1,070.41	+2.41
Util. 264.31	265.01	265.01	263.51	265.01	+1.50	1,000	265.01	263.51	265.01	+1.50
Comp. 299.00	298.00	299.00	298.00	299.00	+1.00	1,000	299.00	298.00	299.00	+1.00
S&P 500 1,433.33	1,431.94	1,433.33	1,431.94	1,433.33	+1.37	1,000	1,433.33	1,431.94	1,433.33	+1.37
S&P 100 447.45	438.45	447.45	438.45	447.45	+9.00	1,000	447.45	438.45	447.45	+9.00
Standard & Poor's	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
Industrials 1,539.87	1,522.44	1,533.34	1,522.44	1,533.34	+1.88	1,000	1,539.87	1,522.44	1,533.34	+1.88
Transport. 701.00	699.00	701.00	699.00	701.00	+1.00	1,000	701.00	699.00	701.00	+1.00
Utilities 141.20	141.20	141.20	141.20	141.20	+0.00	1,000	141.20	141.20	141.20	+0.00
Finance 1,433.33	1,431.94	1,433.33	1,431.94	1,433.33	+1.37	1,000	1,433.33	1,431.94	1,433.33	+1.37
S&P 500 1,433.33	1,431.94	1,433.33	1,431.94	1,433.33	+1.37	1,000	1,433.33	1,431.94	1,433.33	+1.37
S&P 100 447.45	438.45	447.45	438.45	447.45	+9.00	1,000	447.45	438.45	447.45	+9.00
NYSE	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
Composite 2,424.26	2,420.72	2,424.26	2,420.72	2,424.26	+1.25	1,000	2,424.26	2,420.72	2,424.26	+1.25
Trans. 472.45	468.45	472.45	468.45	472.45	+1.00	1,000	472.45	468.45	472.45	+1.00
Utilities 101.00	100.00	101.00	100.00	101.00	+0.00	1,000	101.00	100.00	101.00	+0.00
Phone. 509.49	509.49	509.49	509.49	509.49	+1.75	1,000	509.49	509.49	509.49	+1.75
Nasdaq	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
Composite 1,257.39	1,257.25	1,257.39	1,257.25	1,257.39	+1.25	1,000	1,257.39	1,257.25	1,257.39	+1.25
Trans. 1,011.37	1,011.37	1,011.37	1,011.37	1,011.37	+0.00	1,000	1,011.37	1,011.37	1,011.37	+0.00
Bonds 1,043.38	1,044.38	1,043.38	1,044.38	1,043.38	+1.00	1,000	1,043.38	1,044.38	1,043.38	+1.00
10 Utilities 102.48	102.48	102.48	102.48	102.48	+0.00	1,000	102.48	102.48	102.48	+0.00
10 Industrials 103.33	103.33	103.33	103.33	103.33	+0.00	1,000	103.33	103.33	103.33	+0.00
AMEX	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
High 722.11	715.45	715.45	715.45	715.45	+0.51	1,000	722.11	715.45	715.45	+0.51
Dow Jones Bond	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
High 104.38	104.48	104.48	104.48	104.48	+0.10	1,000	104.38	104.48	104.48	+0.10
20 Bonds 102.48	102.48	102.48	102.48	102.48	+0.00	1,000	102.48	102.48	102.48	+0.00
10 Utilities 103.33	103.33	103.33	103.33	103.33	+0.00	1,000	103.33	103.33	103.33	+0.00
Trading Activity	Class	Prev.	Todays	Prev.		Vol.	High	Low	Last	Chg.
NYSE	Class	Prev.	Todays	Prev.		Vol.	High	Low	Last	Chg.
Advanced 1,255	1,253	1,255	1,253	1,255	+1.25	1,000	1,255	1,253	1,255	+1.25
Unchanged 1,020	1,020	1,020	1,020	1,020	+0.00	1,000	1,020	1,020	1,020	+0.00
New Notes 360	360	360	360	360	+0.00	1,000	360	360	360	+0.00
New Loans 235	235	235	235	235	+0.00	1,000	235	235	235	+0.00
NYSE	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
Composite 1,257.39	1,257.25	1,257.39	1,257.25	1,257.39	+1.25	1,000	1,257.39	1,257.25	1,257.39	+1.25
Trans. 1,011.37	1,011.37	1,011.37	1,011.37	1,011.37	+0.00	1,000	1,011.37	1,011.37	1,011.37	+0.00
Utilities 101.00	100.95	101.00	100.95	101.00	+0.05	1,000	101.00	100.95	101.00	+0.05
Phone. 509.49	509.49	509.49	509.49	509.49	+1.75	1,000	509.49	509.49	509.49	+1.75
AMEX	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
Advanced 722.11	715.45	722.11	715.45	722.11	+0.51	1,000	722.11	715.45	722.11	+0.51
Unchanged 1,020	1,020	1,020	1,020	1,020	+0.00	1,000	1,020	1,020	1,020	+0.00
New Notes 360	360	360	360	360	+0.00	1,000	360	360	360	+0.00
New Loans 235	235	235	235	235	+0.00	1,000	235	235	235	+0.00
NYSE	High	Low	Last	Chg.		Vol.	High	Low	Last	Chg.
Composite 1,257.39	1,257.25	1,257.39	1,257.25	1,257.39	+1.25	1,000	1,257.39	1,257.25	1,257.39	+1.25
Trans. 1,011.37	1,011.37	1,011.37	1,011.37	1,011.37	+0.00	1,000	1,011.37	1,011.37	1,011.37	+0.00
Utilities 101.00	100.95	101.00	100.95	101.00	+0.05	1,000	101.00	100.95	101.00	+0.05
Phone. 509.49	509.49	509.49	509.49	509.49	+1.75</					

## EUROPE

**Investors Betting on BNP's Success**

Bank Shares Soar After Bid for Societe Generale and Paribas

Bloomberg News

**PARIS** — Societe Generale SA, Paribas SA and Banque Nationale de Paris SA shares soared on their first day of trading after BNP offered to buy the two rival French banks for \$38 billion in stock, reflecting growing investor expectations the hostile bid may succeed.

"Having seen the plans and looked at the alternatives, I'm convinced it's a credible project," said Mark Holland, an equity arbitrage analyst at Exane, a French securities company.

BNP, France's third-largest bank, made the surprise offer late Tuesday to buy Societe Generale and Paribas, which plan a \$16 billion merger of their own, in a share swap that would create the world's largest bank, with about \$1 trillion of assets.

Societe Generale rose 19.40 euros, or 13 percent, to close at 164.90 euros (\$180.40). Paribas

rose 15.55 euros, or 18 percent, to 101.50, and BNP rose 5.60 euros, or 7.2 percent, to 83.00.

BNP offered 15 of its shares for seven Societe Generale shares, a value of 165.87 euros a share, a premium of 14 percent above Tuesday's closing price. The bank is also offering 11 of its shares for eight Paribas shares. That values Paribas at 106.43 euros, 18 percent above its Tuesday closing price on the cash market, where the shares are most commonly traded during the offer period, which started Feb. 12.

BNP's shares also were helped by speculation about a rival bid for either BNP or SocGen from outside France, but investment bankers said any such attempts by a foreign bank would run into political and regulatory obstacles.

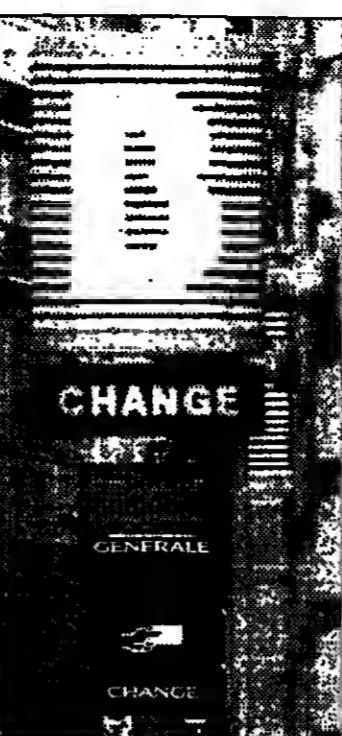
Paribas, which was to hold a board meeting Thursday night to decide how to respond to the bid, hired Rothschild & Cie. as its ad-

visor. Societe Generale was meeting with investment bankers from Morgan Stanley Dean Witter & Co., Credit Suisse First Boston and Merrill Lynch & Co. as it decided how to respond to BNP's bid. BNP's board is due to meet Friday morning.

Investors said that whatever the bid's merits, there was certain to be a response of some kind from SocGen and Paribas once their respective boards had met with advisers, as an immediate acceptance seemed the least likely option.

"There will certainly be some kind of strong counterattack," said Damien Bachet, managing director of Aforage Finance, a corporate finance and asset manager.

Even so, the prospect of SocGen launching a counteroffer for BNP draws little support from investors, who say SocGen would have to explain to investors why it was paying a higher price to create the same combination that BNP was offering.



BNP and Societe Generale, neighbors in a Paris street.

**Telecom Italia Unveils Bid To Foil Olivetti**

Continued from Our Side From Dispatches

**ROME** — Telecom Italia SpA confirmed Thursday that it would seek to buy the rest of its cellular-phone subsidiary and expand shareholder voting rights to try to thwart a takeover bid by Olivetti SpA.

A merger with Telecom's 60 percent-owned subsidiary, Telecom Italia Mobile SpA, would drive up the price of what is already the largest takeover attempt in European telecommunications. Olivetti announced a \$2.6 billion euro (\$37.6 billion) hostile bid for Telecom Italia last month.

A merger with the mobile-phone subsidiary, known as TIM, would add about 20 billion euros to Telecom Italia's price. Telecom Italia said it would ask shareholders to approve the merger by April 16, emphasizing the benefits to be gained from integrating its fixed-phone services with the mobile network.

Telecom Italia's defense plan, announced Thursday after its board met late Wednesday night, also includes upgrading its nonvoting savings shares to ordinary voting shares. In addition, Telecom Italia plans to buy back as much as 10 percent of its stock if shareholders approve the program.

But Olivetti contends that Telecom Italia's proposed absorption of the mobile business violates takeover laws that bar defensive moves by target companies and has asked regulators to intervene. Italian securities regulators have not given a timetable for a decision.

Telecom Italia will propose to shareholders April 16 that it give four new ordinary Telecom Italia shares for every five TIM ordinary shares and nine Telecom Italia shares for every 20 TIM nonvoting savings shares. The board will also propose to increase capital by issuing 2.68 billion new ordinary shares.

Telecom Italia also said its operating profit rose 10 percent, to 9.2 million lire (\$5.2 billion), last year as its net debt reached 15.7 trillion lire and sales grew 5 percent, to 45 trillion lire. It said its 1998 net income was "much above" the 1997 figure, though it did not provide details.

(AP, Bloomberg, Bridge News)

**Core Units Lift Vivendi Profit**

Bloomberg News

**PARIS** — Vivendi SA, the French water utility, said Thursday its profit rose 17 percent in 1998 because of growth at its core utility businesses and the first profit from its telephone operations.

The company earned 1.1 billion euros (\$1.2 billion) in 1998, up from 822 million euros in 1997.

The company said it expected sales and net income to increase at least 10 percent in 1999.

Vivendi proposed increasing its dividend 20 percent, to 2.75 euros from 2.29 euros in 1997.

The company said earnings from water operations rose 9 percent, to 430 million euros. Its communications unit, which includes publishing activities and its Cegid mobile phone service, posted an operating profit of 280 million euros, reversing a loss of 199 million euros in 1997.

**ALCATEL: 12,000 Jobs to Be Cut**

Continued from Page 13

controlled maker of nuclear reactors has an estimated total value of about \$3 billion. Selling Framatome would allow Alcatel to complete efforts to focus on telecommunications equipment. Mr. Tchuruk has pushed to sell the Framatome stake after plans to merge it with Alstom fell apart in 1997.

Mr. Tchuruk said the 10 percent staff reduction in 1999 and 2000 would save 300 million euros (\$328.6 million) a year.

He also said he expected to improve operating profit margins to 7 percent from 4 percent in 1998. A target of 8 percent was set in 1996.

"I am still keeping the 8 percent target in view," he said, "but we are taking longer to get there than I had hoped" because of a slowdown in the telecommunications switching market.

Alcatel is trying to win back investor confidence after a warning in September that it would miss its 1998 profit forecast despite the stock down 38 percent in one day. Alcatel shares closed at 118.50 euros, up 2.90.

The stock has gained 24 percent since March 2, when the company offered \$2 billion for Xylan Corp., a military-electronics company based in Calabasas, California. Two days later, it agreed to buy Assent Technology Inc. of Milpitas, California, for \$350 million.

"They're definitely moving in the right direction now, and I expect them to continue doing so," said Jean-Pierre Vitoux, a fund manager with BBL Asset Management. (AP, Bloomberg)

**Usinor to Lose 3,000 Jobs**

Usinor SA, the French steelmaker, said it would trim 3,000 jobs over the next three years and announced a 7 percent increase in 1998 profit, owing to gains reported from Paris.

Francis Mer, the company's chairman, said Usinor would look at "all available options" for reducing its work force. He said 1,500 jobs would be cut this year and 1,500 over the next two years.

Usinor also said oct profit rose to 335 million euros last year from 313 million euros the previous year. (Bloomberg, AFP)

**Thomson Posts Loss**

Bloomberg News

**PARIS** — Thomson-CSF, a military-electronics company, posted a loss of 232 million euros (\$254.1 million) for 1998 on Thursday, cutting charges for acquisitions and job cuts, but said it would return to profitability this year.

Thomson's loss contrasted with a profit of \$324 million euros in 1997. The 1998 loss was in line with predictions.

Thomson-CSF took charges of 438 million euros, covering provisions for 4,000 job cuts in the next two years and to absorb defense assets.

**Israel Seeks Euro Ties**

Reuters

**FRANKFURT** — The governor of the Bank of Israel, Jacob Frenkel, said his country should cement ties with the euro zone and eventually meet Maastricht treaty criteria, the newspaper Frankfurter Allgemeine reported Thursday.

Mr. Frenkel said he hoped that some day Israel would sign the treaty, which established terms for European monetary union.

**Investor's Europe**

Frankfurt	London	Paris
DAX	FTSE 100 Index	CAC 40
5800	6600	4400
5400	6200	4100
5000	5800	3300
4600	5400	3000
3800	4600	2800
O N D J F M	O N D J F M	O N D J F M
1998	1999	1998
Exchange	Index	Index
Amsterdam	AEX	527.58
Brussels	BEL 20	3,302.18
Frankfurt	DAX	4,754.41
Copenhagen	Stock Market	575.33
Helsinki	HEX General	520.66
Goteborg	OBX	546.20
Oslo	OSE	4.07
Tokyo	Nikkei 225	15,500.14
Toronto	TSE Industrials	4,562.26

Source: Telekurs

International Herald Tribune

**WORLD STOCK MARKETS**

Thursday, March 11

Prices in local currencies; In euros for EMU countries; in dollars for others.

High Low Close Prev.

Amsterdam AEX Index 527.58 Previous: 526.64

www.aex.nl

ABN AMRO 17.85 17.85 17.85 17.85

Aerop 58.50 58.50 58.50 58.50

Akzo Nobel 24.00 24.00 24.00 24.00

Akzo Nobel 24.00 24.00 24.00 24.00

Alcatel 36.13 36.13 36.13 36.13

Alcat

**Thursday's 4 P.M. Close**

The 2,300 most traded stocks of the day.  
Nationwide prices not reflecting late trades elsewhere  
The Associated Press

The Associated Press

NYSE

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# *DAILY* **Tribune.**

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**Continued on Page 17**

**NASDAQ**

**Thursday's 4 P.M.**  
The 1,000 most traded National Market securities  
in terms of dollar value, updated twice a year.  
*The Associated Press.*

**NYSE**

**Thursday's 4 P.M. Close**  
The 150 most-traded stocks of the day,  
up to the closing on Wall Street.

Thursday's 4 P.M. Close																	
The 150 most traded stocks of the day, up to the closing on Wall Street.																	
The Associated Press.																	
Stock	Sales	High	Low	Last	Chgs	Stock	Sales	High	Low	Last	Chgs	Stock	Sales	High	Low	Last	Chgs
Ciba	2108	121	119	120	+1	Hannaford	1210	164	164	164	-16	RegalBel	405	154	153	152	+1
Centel pl	2013	234	22	22	+14	Hannaford	241	64	5	5	-8	ReservePlk	1807	254	254	250	+14
CellCo	1222	54	54	54	+1	Hannaford	557	474	46	46	-1	SealedP	2711	19	18	18	+1
Concourse	607	49	48	48	-1	HanTel	248	64	42	54	+1	StarEd Pl	2110	48	48	48	+1
CreditCorp	1524	9	9	9	+1	Harris	483	575	574	574	+1	Salicore	240	54	48	48	+1
Credicorp	507	57	57	57	+1	Hastings	928	574	5	574	+1	Santander	204	10	10	10	+1
Critech	537	35	35	35	+1	Hastings	415	174	124	174	+1	Savannah	204	10	10	10	+1
Cryolite	494	1	1	1	+1	Hastings	405	174	124	174	+1	Schaeffers	5008	64	54	54	+1
Cutter	496	1	1	1	+1	Hastings	64	14	14	14	+1	Sellco	267	212	212	209	+2
DATA Comm	7404	950	950	950	+1	Hastings	807	274	2	74	+74	SellDry R	2110	13	13	13	+1
Defomed	299	174	174	174	+1	Hastings	2058	574	574	574	+1	SPDRs	4426	134	134	134	+1
Deymark	4867	10	10	10	+1	Hastings	248	238	238	238	+1	SPDR S	4426	134	134	134	+1
Depend on	208	6	5	5	+1	Hastings	125	120	120	120	+1	SPDR A	240	134	134	134	+1
Deneve	1251	25	25	25	+1	Hastings	1150	120	120	120	+1	SPDR G	240	134	134	134	+1
Dermatogen II	254	174	174	174	+1	Hastings	122	574	574	574	+1	SPDR C	240	134	134	134	+1
Dreyfus	205	574	574	574	+1	Hastings	9181	274	274	274	+1	SP Engg n	1755	274	274	274	+1
EFSC Corp	888	574	574	574	+1	Hastings	300	149	14	14	+14	SP Tech n	1147	35	35	35	+1
Eckert	2065	174	174	174	+1	Hastings	7278	274	274	274	+1	SP Technol	1147	35	35	35	+1
Echostar	625	74	74	74	+1	Hastings	259	274	274	274	+1	Sellco	507	54	54	54	+1
Edwards	335	10	10	10	+1	Hastings	607	374	374	374	+1	Top-10	268	54	54	54	+1
Edwards	395	574	574	574	+1	Hastings	522	574	574	574	+1	Index	429	54	54	54	+1
Edwards II	7024	4	4	4	+1	Hastings	400	574	574	574	+1	TechSoft	260	149	149	149	+1
Edwards	524	2	2	2	+1	Hastings	526	574	574	574	+1	Thermo	205	149	149	149	+1
Edwards	525	2	2	2	+1	Hastings	271	9	8	8	+1	Thomson	149	149	149	149	+1
Edwards	778	120	120	120	+1	Hastings	721	104	104	104	+1	TopSoc	224	114	114	114	+1
Edwards	1584	374	374	374	+1	Hastings	145	104	104	104	+1	TWA	563	54	54	54	+1
EEFC	205	74	74	74	+1	Hastings	114	104	104	104	+1	Transcom	224	114	114	114	+1
Fidelity	5155	6	5	5	+1	Hastings	725	8	8	8	+1	Transgas	127	209	209	209	+1
FirstLab	1275	574	574	574	+1	Hastings	458	574	574	574	+1	Transgas	127	209	209	209	+1
FirstNet	147	14	14	14	+1	Hastings	2049	574	574	574	+1	Transgas	127	209	209	209	+1
FirstNet	272	15	15	15	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	282	15	15	15	+1	Hastings	2049	574	574	574	+1	Transgas	127	209	209	209	+1
FirstNet	362	74	74	74	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	904	68	68	68	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	313	374	374	374	+1	Hastings	304	174	174	174	+1	Transgas	127	209	209	209	+1
FirstNet	2191	374	374	374	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	226	574	574	574	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	227	574	574	574	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	242	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	243	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1154	42	42	42	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	923	42	42	42	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	2451	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	225	174	174	174	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	272	21	21	21	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1
FirstNet	1021	1	1	1	+1	Hastings	272	274	274	274	+1	Transgas	127	209	209	209	+1

**AMEX**



## ASIA/PACIFIC

**Moody's Cuts Nissan's Debt Rating to 'Junk'**

Bloomberg News

TOKYO — A day after DaimlerChrysler AG ruled out buying Nissan Motor Co., Moody's Investors Service Inc. on Thursday cut the long-term debt rating of Japan's second-largest car company to "junk" status because of concern that it will have difficulty paying down its industry-high debt of 4.3 trillion yen (\$36 billion).

The U.S. rating concern lowered Nissan's senior unsecured debt rating to Ba1, or below investment grade, from Ba3 and said it may further cut the automaker's long-term rating. It also downgraded the ratings of Nissan's supported subsidiaries.

But Japanese media were reporting Thursday that Renault SA would buy a controlling stake in Nissan, giving the French carmaker a foothold in Asia.

The Nikkei Keizai and Yomiuri newspapers reported that Renault would buy between 33.4 percent and 40 percent of Nissan. The companies hope to reach agreement by March 31, Yomiuri said, citing unnamed sources. Both companies declined comment on the reports.

A purchase would give Renault access to some of the world's most efficient factories, to markets in North America and Asia, where it has little presence, and to world-class technology. But Nissan's debt scared away DaimlerChrysler and will be a big concern for Renault analysts said.

"Nissan's debt worries a lot of people," said Remy Dumoutier, an analyst with HSBC Securities in Paris. He said some investors thought that if DaimlerChrysler "turned down the chance to buy Nissan, then surely there has to be a problem."

Nissan stock fell 12 percent Thursday, to close at 414 yen, while shares of its truck unit,

Nissan Diesel Co., closed at 176 yen, down 31. In Paris, Renault shares closed at 35 euros (\$36.34), down 1.55.

"We will positively consider alliances with companies other than DaimlerChrysler," Nissan said. "We will continue to explore joint projects with DaimlerChrysler that do not involve capital ties."

The downgrade reflects "the company's high debt levels and the long time period Moody's expects will be required for Nissan to reduce its debt load to more manageable

said the company is prepared to sell a controlling 33.4 percent stake in itself but is unwilling to yield management control. Without power over management, analysts said such an agreement was unlikely.

Renault's chairman, Louis Schweitzer, said Wednesday that the company was still studying a link with Nissan and Nissan Diesel, which is also deep in debt and losing money.

"This is both an opportunity and something that isn't easy because of the company and its current situation and also because of the cultural barriers that may exist," Mr. Schweitzer said.

"If Renault's talks with Nissan succeed, it is unthinkable that we not look at Nissan Diesel," said Patrick Faure, chief executive of Renault Vehicles Industriel, the company's truck unit. Mr. Faure, speaking Wednesday in Paris, said the talk between Nissan and Renault were in their final phase.

The Japanese automaker also is in talks with Ford Motor Co., according to Japanese media, which did not cite sources. Nissan declined comment on the report. Ford said this year that it was not interested in taking a lot of debt.

Nissan operates three of the 15 most efficient factories in the world as measured by productivity per employee, the London-based Economist Intelligence Unit said in October. Analysts say its engine technology is among the best in the world. Renault's top factory was 39th.

Nissan has 22 factories outside Japan, including 10 elsewhere in Asia. It also has a factory in the United States, three in Europe, three in Africa and two in Latin America.

By contrast, Renault and other European automakers are too dependent on their home markets and suffer from poor quality, Graeme Maxton, a consultant for the Economist Intelligence Unit, said.

### The downgrade comes as Renault is considering a link with the Japanese automaker.

levels," Moody's said. The downgrade affects about \$9.5 billion of debt and could make it more expensive for Nissan to raise funds.

Moody's said the cash it would gain from a capital tie-up, such as with DaimlerChrysler or Renault, would not be enough to help the carmaker dig its way out of debt.

The immediate cash provided by potential equity partners would only marginally improve the company's weak debt protection measurements," Moody's said.

Standard & Poor's Corp., the other dominant credit-rating concern, also threatened to lower its Nissan ratings "in the absence of an adequate injection of new equity."

Unless another automaker steps in to help, Nissan's plan to repay 1 trillion yen of debt by 2001 may take longer, said Kenji Tanaka, an auto analyst at Okasan Securities Co.

Nissan's president, Yoshikazu Hanawa, has

been working with the company on a debt-restructuring plan.

Police said a gunman on a motorcycle had shot eight rounds from a pistol at Mr. Wansley. Four Thais in Mr. Wansley's van escaped injury.

"We have not yet established the motive, but it looks like a business conflict," the provincial police commander, Major General Surapol Sungkorn, said.

## Firms Tighten Security After Thailand Killing

Agence France-Presse

BANGKOK — Foreign business executives working with the Thai government on debt-restructuring plans put strict security measures into effect Thursday after the gangland-style murder of one of their colleagues.

A team of Australian insolvency advisers was evacuated from a central Thai province to Bangkok and

placed under 24-hour security after the murder of Michael Wansley.

Mr. Wansley, an accountant and senior partner with Deloitte Touche Tohmatsu, led a team of 14 Australians working with the government to rebuild companies hurt by the Asian financial crisis, the company said.

"They now have 24-hour security, and the individuals are now

assessing whether or not they will leave," a Deloitte Touche representative said. "Obviously, we are concerned about the safety of our staff, but there is no sense of fear."

Mr. Wansley, 58, of Melbourne, was shot to death Wednesday on his way to a South Sathorn Planner Co. sugar mill in Nakhoi Sawan Province, 240 kilometers (150 miles) north of Bangkok. He had been working with the company on a debt-restructuring plan.

Police said a gunman on a motorcycle had shot eight rounds from a pistol at Mr. Wansley. Four Thais in Mr. Wansley's van escaped injury.

"We have not yet established the motive, but it looks like a business conflict," the provincial police commander, Major General Surapol Sungkorn, said.

## Asia's Slump Slices Profit At Jardine

Bloomberg News

HONG KONG — Jardine Matheson Holdings Ltd., the Hong Kong trading company, said Thursday that its net profit tumbled 84 percent last year largely because of Hoog Kong's recession and the economic slowdown in Asia.

Jardine's concentration on marketing, trading services and office space left it especially vulnerable in Hong Kong, where the economy shrank 5.1 percent last year.

The company posted net earnings of \$50.6 million, its least profitable year since the mid-1980s. Sales fell 2.5 percent, to \$1.12 billion. Operating profit also fell 2.5 percent, to \$239 million. Jardine will pay a final dividend of 13.8 cents, down from 17.2 cents.

Jardine took a one-time charge of \$128.6 million to write off its interest in Edaran Otonom Nasional Bhd., the distributor of the Proton, Malaysia's best-selling car.

"We're not forecasting at this point any recovery in our underlying markets," said Alasdair Morrison, the managing director of Jardine. "In general terms, we would expect most of our businesses to operate at similar levels as in 1998."

Analysts said the company's rebound may take time. "Jardine Matheson profits may recover in 1999, but it's going to be a very slow recovery," said Robert Sasseen, an analyst at SG Securities (H.K.) Ltd. "It's predominantly a Hong Kong company, and Hong Kong's economy isn't going to have a quick recovery."

Henry Keswick, the chairman of Jardine, said: "We expect depressed trading conditions to continue in Asia. It will be difficult to achieve growth in our businesses in 1999."

Jardine Strategic Holdings Ltd., a separate listed company with interlocking shareholding with Jardine Matheson, posted a loss of \$33 million in 1998, but provisions for bad accounts and losses at its mobile phone unit should place it in line for healthier growth.

• Telstra Corp.'s half-year profit rose 12 percent, to 1.81 billion Australian dollars (\$1.15 billion), as strong sales of data and mobile phone services offset falling international revenues.

• Prime Television Ltd.'s first-half profit fell 49 percent, to 5.31 million Australian dollars, as financial turmoil in Latin America drove its Argentina television network into losses.

• Philippine Long Distance Telephone Co.'s 1998 net profit fell to 1.12 billion pesos (\$28.3 million) from 7.65 billion pesos in 1997, but provisions for bad accounts and losses at its mobile phone unit should place it in line for healthier growth.

• SK Group agreed to buy 28.4 percent of its rival, Ssangyong Oil Refining Co., and planned to assume management control. Financial details were not disclosed.

• NTT Mobile Communications Network Inc. will increase international dialing destinations to 201 countries from March 31, from only six at present.

• AngloGold Ltd. is seeking joint-venture partnerships with Australian producers to win a share in mines producing more than 200,000 ounces a year.

• Seagate Technology Inc. will invest another \$120 million in each of its two Chinese factories, more than doubling its investment in China over the next three to five years.

• Japan's private-sector machinery orders dropped 22.9 percent in January from a year earlier, the tenth consecutive month of decline.

*Bridge News, AFP, Bloomberg, Reuters*

Source: Telukus

International Herald Tribune

### Very briefly:

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*Bridge News, AFP, Bloomberg, Reuters*

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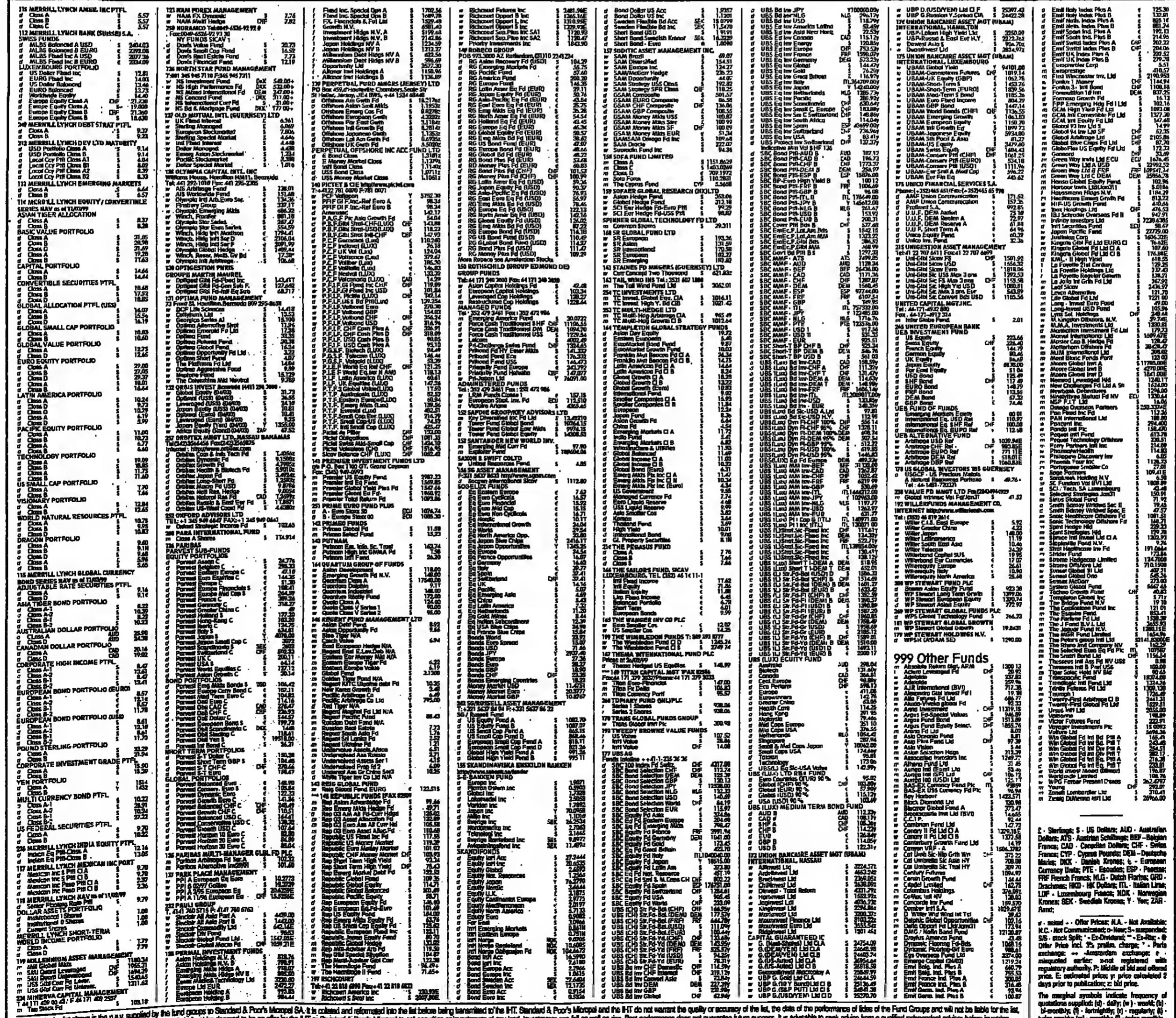
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# Fashion

By Suzy Menkes

**P**ARIS — How much more artsy crafty stuff can fashion take? The fall collections are filled with clothes that are either a riposte to futurism, or are intended, with their handmade effects, to take clothes to another, more artistic dimension.

The only show to make sense of this was Cerruti, where designer Peter Spelliopoulos famously coined the fashion phrase "nature versus NASA." This season Cerruti was into "futuristic patchworks." That describes both simple dresses with three-dimensional shining squares as decoration — and the way that modern pieces were mixed in the brisk-paced show.

Out came the models on their sharp-heeled zippered-back boots, in clothes that were still built on Cerruti's tailoring base, but in a fresh way. The star was the coat, cut close to the body with a ravel waist and shiny patent belt. An alternative play on textures offered against bare flesh the ponyskin and fur that hip designers are using for dresses and brief jackets.

This repetitive show won't change the face of fashion, but it offered a cool mix, with a peasant blouse under a streamlined black pantsuit and the jumper dress as a pivotal piece. And while relying on fabric research, it kept arty effects in check.

Ann Demeulemeester went a hit savage this season, sending out shearing coats so rugged and raw-edged that they looked as though they could costume "The Flintstones." But that was just the Belgian designer's take on the current hippie fling, and the styles were normal — following the same long wrapped lines she formerly used for knitted coats.

Demeulemeester's strength is that she moves forward to her own rhythm and in her own style, but if you look back at her earlier collections based on mannish pantsuits, she has changed quite radically, now focusing on dresses. They looked strong and sober in thick dry fabrics from wool through cotton.

Demeulemeester is also a queen of coats, applying her wrap technique to long dark designs that tied at the back to fine effect. Like so many cool modern designers, she deals in subtle personal signatures: the tuck on the arm which gives coat, jacket or plain dress a tweak of individuality; or the line of delicate open work stitches vertically at the midriff, touching sweaters with sex appeal. There was also an interesting range of



follow-up to the decorative femininity of Elbaz at his best, this collection was a blank sheet on which the design will have to start drawing a template for next season.

In a long and noble career, Issey Miyake has produced magical shows where inventive fabrics, ingenious clothes and an original mind came together in a poetic way. But this season's presentation was not one of them. Whether it was the distant venue, where paper sails fluttered on fine wires over a vast, empty space; or whether the clothes were just too abstruse and unappealing, the show failed to take flight — except at its finale when dresses unfurled into fledgling bird wings.

The theme of the show was transformation. But, as any magician knows, you can't offer your audience the same trick twice. The APOC (a piece of cloth which was snipped into a wardrobe on the runway last season, again opened the show, as the tubular jersey fabric that encased the models was attacked by assistants bearing scissors.

The rest of the clothes waved "art" like a banner — literally in the case of dresses carried on long poles down the runway to proceed relatively simple garments with weird surfaces. Shaggy, ragged effects made dresses and even shearing coats look as though they had been pecked apart in a bird sanctuary. Other Eskimo outfits with padded markings also looked as though they had been inspired by nature studies in the National Geographic Magazine and translated far too literally to the runway — a rare example from an exceptional designer of a blip in the creative process.

This should be Kenzo's moment — and in a way it is. He has just been feted in New York where he won the "Time for Peace Award," when the United Nations ambassadors invited him to create a dress. That lilac satin embroidered gown was the finale to a show dedicated to rustic clothes and Renaissance princesses. That meant woodsy daywear — all earthy and leafy textures, with rugged early lamb collars on sweeping coats and knits as hairy as some jungle beast. For evening, pre-Raphaelite waves tumbled over velvet gowns and coats with artistic patterns worked at the back. But while other runways are awash with the merry, colorful peasants in just the folkloric multiethnic clothes on which Kenzo built his reputation, the designer now inhabits another fashion planet.

**SUZY MENKES** is the fashion editor of the International Herald Tribune.

Miyake's raised-patterned Eskimo outfit; Laroche's off-the-shoulder dress; Demeulemeester's coat over long dress; Sibon's op-art striped dress.

menswear in the same spirit.

Marine Sibon put her sporty menswear, flared with strong color, on the runway for the first time. And the question is: why does a modern-minded woman designer give the opposite sex all the straightforward clothes cut on just the right lines, yet offers a complicated wardrobe to her sisters?

Sibon has a nice take on modern proportions and made a sly, sexy trench coat in a ripe apricot — orange shades being a theme of the show. But she is still heavily into artsy stuff — flowers appliquéd in lumpy shrouds of rulle and a surfeit of cut-out leaves. That was a pity, because the show started with a much stronger and cleaner linear theme, which was also artsy, in that geometric lines

might be drawn down a dress or negative and positive effects be created in the black folds of a white pleated skirt. But there the theme enhanced, rather than overwhelmed, the clothes.

If you have to have artsy effects, they were nicely done at Lanvin, where the designer Cristina Ortiz used raised patterns to give surface interest to resolutely plain clothes. A dress would have pleats like paper darts pinched into its skirt, or pants had sneaky faux slits at the back. Using a palette of pale colors, primarily white, with ice blue or pale pink and sudden flashes of coral, the collection seemed more suited to a summer season. Ortiz succeeded in moving Lanvin's look forward from plain and minimal. But it is still unclear where this house is

going in terms of image. Compass swirls of embroidered sequins on an angular white dress are light years away from the Parisian's traditional little black dress.

The promised regeneration of Paris houses is difficult to achieve — not because there aren't designers out there who make nice clothes — but how to give them any individual personality? Something fresh was expected at Guy Laroche on Thursday where Ronald Van der Kemp replaced Alber Elbaz (off to Yves Saint Laurent in the current game of designer musical chairs). Would the Dutch-born designer who was formerly with Barneys in New York, bring just the right trans-Atlantic blend of urban sportsweat with European refinement. What emerged on the runway was a

cost. Pearl gray. A nice coat. Well cut. Just the thing you might find useful — if you didn't already have something similar in your closet. Good marks for the beige leather boots. And so the show went on. A perfectly nice, modern-ish bunch of clothes with a breath of originality in the off-the-shoulder knitwear and in the mud and brown colors, which might at least get through the winter better than pastels on most runways.

But why would anyone rush to Laroche to buy a black pantsuit, with or without its glitter sequined top? So what is the point of reviving culottes? If you want a silk print dress (a big interrogation point) the lightly traced prints with a Japanese character were OK. But as a statement for the house, or even as a



## FASHION / A SPECIAL REPORT



Combat pants, part of the original street uniform.

## Is Utility Chic An Imposter?

By James Sherwood

**L**ONDON — What have international designers learned from London street style? Well, they have seen the future and it is Utility Chic. They have drawn inspiration for the spring/summer 99 collections from khaki, Velcro, hip holster bags, combat pants pockets and trophy trainers. Utility is high fashion's spin on the urban street uniform. It's high fashion in a techno-sporty-dressed-down kind of way.

So unanimous was the utility drive that you would be forgiven for thinking Madame Mao had risen from the grave to give Miuccia Prada had risen from the grave to give Miuccia Prada, Jil Sander and Ralph Lauren a master class in sartorial cloning. There is only one problem. Utility is an imposter. It is the '90s take on Marie-Antoinette playing milkmaid in the Trianon.

"In my opinion, Prada is copying styles that have been worn by the really cool people for years," says Browns Focus buyer Monserrat Mukherjee. "You saw them in the streets with cross shoulder bags from Man

## COMMENTARY

han Portage, wearing the original camouflage, army surplus stock and knife-proof hooded jackets designed and made in dodgy Soho stores. The street uniform came from a truly creative bunch of stylists, DJs and students; all of whom didn't have a regular income. They made their own fashion identity. It is the kids who are the real survivors of urban life. They are the ones who make real use of streetwear simply because they are the ones who take the tube, get soaked when they are touting their portfolios around London in the rain and live the life."

Utility equips the high fashion consumer for a life she simply does not live. It isn't a jungle out there, urban or otherwise, for the woman who buys mainline Gucci. And there is something distasteful about spending three-figure sums for a designer's interpretation of the combat pant: a second-hand army surplus item originally bought for \$7.

"Everyone on the British high street is bumping out copies of khaki Helmut Lang combat," says Max Karie, owner of the Soho boutique Shop. "And if big designers are copying street style, then it is disastrous: a vicious circle. Face it, nobody is going to buy labeled combat pants at Miu Miu when they can go to source at London army surplus store Laurence Coming or New York's Old Navy. It's a depressing thought that we will all approach the millennium wearing fleece. Shop girls are more into a bit of price from Tocca, a bit of glitz from Hysteric Glamour and a bit of fun from our own-label Shopgirl designed by former Bodymap designer Stevie Stewart. Sportswear is just a victim of its own popularity."

Sportswear was a street uniform born in the dark ages of early '90s Grunge. The Puffa jacket, combat pants and trophy trainer were adopted by a generation of DJs, dealers, skater kids and underground clubbers. It signified the disillusionment of Generation X. These were cruel world clothes: wind, bullet and knife repellent fabrics cut into streamlined urban armor-plating. It was a tough-tough declaration of independence from the chic fashion labels.

**E**IGHT years later, street style is repackaged as sanitized, aerodynamic Utility Chic. No matter that the original sportswear "Gangstas" had grown up and opened conceptual art galleries or chains of sandwich shops in Covent Garden. In 1999, you would be forgiven for thinking Velcro, fleece, toggs and Neoprene are the new religion. There is no disputing the popularity of sportswear. People like it. People buy it. So a sportier designer line makes sense. Prada Sport? Fine in a youth context. Sportmax Code? Naturally for the new generation.

"Could anybody really avoid the incredible power of a shoulder bag that carries everything for the daily battle or the attraction of a waterproof jacket?" says Monserrat Mukherjee. "Could anybody with a good business sense let these wonderful designs go without making millions out of them? But, that said, I like designers to be creative and adventurous and follow their own rules and instinct."

When a maverick designer like Donatella Versace translated the combat pant pocket into a pink crystal-encrusted couture gown for her debut couture collection, we knew the sport influence had gone too far.

Sport is a blanket term in fashion: a cover-all label that unfairly implicates designers in the sportswear scam. American designers, in particular, have a heritage of sport couture stretching back to Claire McCardell via Zoran, Ann Klein, Halston and big three Calvin Klein, Donna Karan and Ralph Lauren. Sport couture is, in a nutshell, easy shape and luxe make.

The shapes may be sporty in a weekend, cruisy kind of American way, but they owe more to 1920s Coco Chanel on the Riviera than Michael Jordan on the basketball court. And you cannot mistake the Mark Eisen, Michael Kors, Narciso Rodriguez troika's four-ply cashmere, bugle-bead spattered tulle, 100 percent parachute silk and edible merino wools for Utility. These are self-indulgent, easy fabrics. Techno sport, meanwhile, is just plain lazy.

Understandably, the futuristic quality of test-tube fabrics may appeal to some designers' millennial tendencies. But why are we streamlining for the year 2000? Yes, we are becoming one global race. But that doesn't mean we need to be kitted out in stay-press, machine-washable synthetics like Barbarella every time we travel.

A much more modern approach to uncertain times is identified by Matthew Williamson in the title of his autumn/winter 99/2000 show: "Glorious." "I am informed by travel," he says. "I am working around a very eclectic, global approach to dressing: a grab-bag of cross-cultural references that, together, is uniquely interesting. Uniform dressing isn't in the vocabulary of the women I dress."

JAMES SHERWOOD is a weekly columnist for the *Independent on Sunday*.

# When Art Mocks – and Inspires – Fashion

By Rebecca Voight

**P**ARIS — "One thing is sure. There are more fashion designers who want to be artists than the other way around," says Eleine Fleiss, co-founder of Purple, fashion's artist style review.

That may be true, but there are an increasing number of artists rummaging through the collective closet. Their takes on the rituals of dressing and modern brand lust could pass for avant-garde clothing collections, or fashion ads.

The American artist Steve Miller's "My Mother's Vuitton Suitcase" is an X-ray view of the bag filled with long-stemmed roses. For Miller, whose medically inspired art employs CAT scans and microscopic views, fashion is irresistible. "It all started a few years ago when I was given a pair of Roger Vivier pumps to illustrate for a book. I never saw anything so beautiful. They looked like black Ferraris, so I took them to the hospital and had them X-rayed."

Miller went on to explore his mother's designer shoe collection. And when he came to Paris, among the first to buy one of his pure X-ray paintings was the house of Chanel. "Fashion objects have incredible power. They are superficial and profound," says Miller. "We've gone from Andy Warhol's star system to the object system."

Caroline Smulders of the Thaddaeus Ropac gallery in Paris whose exhibition "Sous le Manteau" included the clothing-inspired work of 43 artists in 1997, says artists are obsessed by fashion. "It fascinates them because of the attention it generates," says Smulders. "Contemporary art has to get out of the gallery. The art world is too small. Very few people wear designer clothes, but more people watch fashion shows on television than will ever visit a gallery."

"Sous le Manteau's" catalogue looks like an advance plan of fashion's forward moves. The photographers Wolfgang Tillmans from Germany and Dutch partners Inez Van Lamsweerde and Vinoodh Matadin participated in the show as artists. Since then they have been picked up by the fashion world. The artist Mathieu Manche's grotesque body parts stacked on a table and photographed on models as accessories and Oliver Herring's coats knit from silver Mylar yarn have all been amply echoed on recent runways.

Herring, who collaborated with Rei Kawakubo for Florence's first Art/Fashion Biennale in 1996, has been using knitting in his work for years. "The Biennale is a meeting of two different worlds. Rei and I tried to create a third world without overlapping," he says.

Herring says he continues to knit his pieces from coats to human figures — as a process to transform and not a reference to fashion. "But he concedes he is fascinated by clothes and that designers do it to his work."

"It was funny to see Mylar sweaters show up on the runway two years later." Herring is now knitting chairs and shelves with wood. His



Artists are making forays into the fashion world and, in return, giving their own take on the rituals of dressing. At left, Steve Miller's "My Mother's Purse"; at right, Tom Sachs's "Prada Valuemal."

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crossover at times." Niels Klavers of the Netherlands considers himself a fashion designer, but his multi-tiered jackets and layers of coats and pants with innumerable legs seem better suited to a gallery than a commercial runway.

Klavers will show with a group of young designers, all graduates of the Netherlands' Arnhem Academy during the Paris collections. Yet to produce a commercial collection, he already has attracted a fashion following. Even the French weekly Elle seems to be under his influence. The magazine recently devoted a fashion spread inspired by his mad layering, featuring pants, shirts and skirts piled on top of one, six or seven at a time.

Smulders was surprised by the number of visitors to Thaddaeus Ropac's recent show of Tom Sachs's "Creativity is the Enemy." The current works of the American artist include what he calls "dub versions" or remixes of designer logos from his Chanel guillotine dining table to the Prada death camp and Hermes happy meal. "Sachs had

never shown in Europe before," said Smulders. "One would imagine he was unknown here, but many of the pieces were sold before the show opened."

The artist's dark, albeit humorous view of fashion's stranglehold on culture, didn't deter Paris's fashion community from turning out in force. For them it was just another big style event. But for Sachs, fashion is dead, or at least he has moved on.

Fashion, one of the examples of what he calls "cultural prosthetics," followed on the heels of his work with zip guns, the firearms made from bits of pipe used by street kids.

From fashion he has moved on to airplane toilets. "That's the only space where you can be alone on a plane," he says. The toilets are the starting point of the R&D phase for his upcoming show in New York next fall which, he says, will add transportation to his favorite themes: death, horror, genocide and sex.

Fashion and art are, however, not always so opposed. "It's like a game of Ping-Pong," says the artist Fabrice Langlade of the relationship between art and clothes. Langlade began his Chrysalides, a series based on dresses, for Smulders "Sous le Manteau" show. The dresses formed with an industrial plastic material that looks like a strip of glue, trace the words of the first two chapters of Mikhail Bulgakov's "The Master and Margarita." He based them on a pattern supplied by his friend, the Italian designer Carlo Ponti. And now Barneys New York has taken one to introduce its Ponti collection in the store.

Langlade thinks culture has become too sectarian. "I remember, growing up in Paris in the early 1980s, Jean Paul Gaultier was a friend and I modeled for one of his men's wear shows. Artists and designers mixed more then, there was a constant exchange. Today everything is too cut off."

REBECCA VOIGHT is a free-lance journalist based in Paris.

## Paris Boutiques Showcase Artists and Designers

By Pat McColl

**P**ARIS — While fashion designers often turn to art for inspiration, increasingly the fashion crowd is turning to the art world to add another dimension to its boutiques.

Since April, at the Lagerfeld Gallery, 40 Rue de Seine, in a space designed by Andre Putman, Karl Lagerfeld has been exhibiting his photographs — the current exhibition is of portraits printed on aluminum — on one level with almost one-of-a-kind clothes displayed on a lower level. Sprinkled about the boutique are art books and magazines that Lagerfeld has chosen: plus a version of the Fendi "baguette" bag also designed by Lagerfeld.

The newest artist/designer boutique is that of Marion Lesage, 15 Rue du Pre aux Clercs, which opened last week. All the clothes, mostly made in India from fabrics of beret choice, and the watercolors that line the walls of the shop are her creation. As at the Lagerfeld gallery, everything is for sale.

Lesage, formerly a designer for Indies, said: "Three years ago, I

dropped out to have a baby and to travel." Her travels took her to North Africa and India, the inspirations for most of her art. While in India, she worked with her brother Jean Francois, an embroiderer who lives there — their father is the couture embroiderer Francois Lesage. She created embroidered flat slippers and, with her brother, fabrics and his signature pillows that she will have in the shop.

Other objects are her flea market finds, ranging from seed jars from London's Kew Gardens to tiny metal lanterns that used to hang on the looms of fabric weavers in Lyon. In the same artisanal mood is a collection of bowls and plates made for Lesage by Christian Perrochet and ethnic jewelry by Dominique Bizard.

Although Aziaide Ikewa designs one of the six collections in her shop, La Boutique, 39 Rue du Temple, she is not an artist. But, when she came across the works of Alain Nahmias in a small museum in Montmartre, she transformed half her space into an art gallery. "I thought they were so special that I just had to have them," said Ikewa. Sporadically in the six years since she opened her shop, she has held other art exhibitions. The reaction to

Nahmias's "assemblages" has been so positive that she plans to find other young artists and continue mixing clothes and art.

About his work, Nahmias says: "You can't really call them sculptures so that's why I call them 'assemblages.'" From a distance, the wall hangings and seated figures look vaguely African, vaguely Native American. Up close, they are mixes of hits of fabrics, roots, feathers, even a pumpkin, with the hits adding up to a witty charm.

Ikewa's approach to the designers in her shop is to "work with my instincts." A best seller this winter was a felted wool tunic by a young Laotian designer, Yao Souka.

**A**T 30 Rue du Temple is L'Epicerie. Why call a fashion boutique cum art gallery "the grocery store?" "Everyone goes to a grocery store and we want everyone to come here," said one of the shop's three creators, Antoine, who goes only by his first name. He and his associates, Artus and Randane, who also only go by their first names, admit that the concept behind L'Epicerie was Colene, the trendy boutique that pioneered the mixed media boutique/gallery idea in Paris. As a backhanded compliment, one of L'Epicerie's best sellers when it opened last September was a T-shirt printed "Poplette."

They add that they are doing the concept their way. Their first priority was to find a space with three connecting rooms: one to be used as

an art gallery, one for the clothes and accessories, and one with sofas and a selection of avant-garde magazines where customers could relax. Artus handles the art gallery, Antoine is fashion director and Randane is the business manager.

"We are a real art gallery and have 10 artists under contract," said Artus. The 14 names painted on the boutique's door — from Marc Jacobs to Jeremy Scott to Nels Klavers to Gaspard Yurkiewicz — represent a who's who of avant-garde designers. Most of these designers are represented by one or two outfits. The boutique also does its own collection called Basics, which for spring featured camouflage prints for bomber jackets, cargo pants, watch bands and crab helmets.

This week it will begin exhibiting the works of 50 avant-garde photographers. L'Epicerie will hold a fashion show on Friday in the boutique.

Meanwhile, at Colene, 213 Rue St. Honore, the gallery on the mezzanine level will feature Dutch photographers Anuschka Bloomers and Nels Schumm.

PAT MCCOLL is a free-lance journalist based in Paris.



Interior of Lagerfeld Gallery, designed by Andre Putman.

Yves Saint Laurent  
drive gauche

## FASHION / A SPECIAL REPORT

# The Extras That Count (and the Zanier the Better)

## Accessory Designers in Britain Cash In on Their Eccentricity

By Roger Tredre

**L**ONDON — While accessory designers in London may be the unsung heroes of the city's revival as a fashion hotspot, the problem is some of them are victims of their own success.

Britain's accessory designers are spending much of their time creating one-off pieces for other designers' runway shows in London, Paris and Milan — time that could, and arguably should, be spent developing their own businesses.

For Scott Wilson, who first made his name in the mid-'90s with hard-edged body adornment pieces, this season was the moment to make a stand. Wilson's only runway show for fall '99 was in Milan, a 30-piece Perspex collection for the British designer Rifat Ozbek.

"I have had to turn down other runway shows," says Wilson. "It's time to build my own business."

Wilson, who studied jewelry design at Middlesex Polytechnic and millinery at the Royal College of Art, has previously worked on runway shows for Hussein Chalayan, Antonio Berardi, Julien McDonald, Tristan Webber and Thierry Mugler. He landed his first show, for Karl Lagerfeld in 1995, while still at college.

Scott's leather cuffs, bracelets, necklaces and chokers, many adorned with mirrors, were being snapped up by buyers at the London Designers Exhibition last month. It appears he has made the right decision to focus on his own label this season.

Wilson acknowledges the dilemma. "One-off pieces are the ultimate expression of my work, but they can be very time-consuming. I just did shows for the first 15 months after leaving college. I remember Thierry Mugler paid me about £5,000, which sounded great, but by the time I had taken on staff and worked it all out, I was earning less than £250 a week."

On the other hand, as Wilson acknowledges, runway shows provide accessory designers with the press coverage they crave. Philip Tracy, the only British accessory designer to stage his own shows, made his name on the runway, particularly through his long-standing link with Chanel and Karl Lagerfeld.

But Tracy's high-profile shows (this season in both London and New York) are balanced by commercial collections, including a line for the high street department store group Debenhams.

"Philip understands how the high street works and creates exquisite designs without compromising his style," says Belinda Earl, trading director of Debenhams.

Why are British accessory designers in such demand? For much the same reasons as the country's clothing designers. "We are creative and eccentric as a nation," says Lucile Lewin, owner of designer store group Whistles. "This sort of battness translates fantastically well into accessories."

Designers return the compliment by saying store buyers are proving much more adventurous.

"For a change, they really love the unusual pieces," says Sian Evans, a jewelry designer firmly in the creative eccentric camp. "A few years ago, buyers would not have bought jewelry that didn't use traditional materials."

Evans's big hit for the fall: plastic and silver necklaces and bracelets that close at the back with stationery file clips. She found her inspiration while recovering in a hospital in France after a snowboarding accident. The slogans on the necklaces read: "For external use only," and "This product may damage your health."

Evans has also developed bracelets in a metal called niobium. "It is light reflective and takes color very well," she says, holding out a shimmering piece. "They use it to make spaceships."

Another designer to make the most of unusual materials is Samantha Heskia, who has produced a collection of bags for fall covered with decorative water buffalo bone. "I found it in the Far East," she says. "The real breakthrough was when I discovered it could be dyed."

Accessories can be a touchy-feely thing, just as much as clothes. Neisha Crosland's pure angora wraps and stoles were another London Fashion Week talking point. "People just feel the fabric and love it," says Crosland.

A dose of creative eccentricity seems to infect anyone who chooses to make their home in London. Pamina Brussey, a New Yorker now living in London, makes Pamina jewelry from recycled glass fused with silver. "My main inspiration comes from wandering round Chelsea looking at cars that have been broken into. The broken glass glistens so nicely in the sunlight."

**W**HAT do the inhabitants of Chelsea make of her? "People do get bothered by me, hunched over the guitars picking up pieces of glass."

The most unlikely hit of the season has been Ann-Louise Roswald's clogs, which have turned into a cult shoe. The run on clogs began last fall when Roswald's clogs were chosen for the Marni show in Milan. "It's like everyone has gone clog mad," says Roswald, still reeling with delight after a Japanese store placed an order for 250 pairs.

Roswald's Swedish father has been making clogs for 20 years. His daughter has designed them for fall in knitted lambswool and red leather. "And now we are going to be up all night over the summer making them for half the fashion world," laughs Roswald.

London's accessory designers have other gripes. Like the majority of the city's fashion designers, they are small businesses that depend on publicity. "Magazine stylists are forced to use big names from Italy in their shoots," complains Samantha Heskia. "We don't get much of a look-in."

One fashion editor admits she has a point. "Of course, we are under pressure to use the major advertisers in our shoots. And small British designers don't have the money to advertise."

Still, every editor worthy of the name enjoys hunting down and featuring the new: Anna Stamer, a new London designer who makes knitted lampshades, found one of her shades given pride of place in a feature in the March issue of British Vogue.

"My phone hasn't stopped ringing," she says. "I'm going to be kept busy."

**ROGER TREDRE** is a free-lance journalist based in London.

## Getting A New Image



Above, Lulu Guinness's "rose basket" bag. At left, Karl Lagerfeld's futuristic 2005 handbags.

One of Jerome Lemaire's asymmetric, quietly elegant felt hats.

Earrings by Ibu, who likes to mix precious metals with clear plastic feathers or shells.

Shoes by Manolo Blahnik, who enjoys the freedom of working with couture houses.

An 18-carat gold necklace by Joaquin Berao.

A silver bracelet in a Berao collection inspired by a beech forest.

Silver necklace by Chus Bures from his "Vol de Nuit" collection.

"Kyoto" necklace by Sastre who has patterned her work on Miro's art.

Necklace of silver and rosewood designed by Helena Rohner.

## Spain's Vanguard Designers Turn to Distant Cultures for Inspiration

By Al Goodman

**M**ADRID — What do the American literary icon Paul Bowles, the late Spanish artist Joan Miró and an icy national park called Torre del Paine in southern Chile have in common?

Nothing much, except Spain's vanguard jewelry movement.

Hungry for inspiration, a small cluster of designers who say that diamonds are not their beat friends have turned to art, distant cultures and nature to spur their creative juices.

The results include Chus Bures's new collection of hon-eycomb and lattice jewelry based on Moroccan traditions,

which won him a rare endorsement, used in promotional materials, from the expatriate Bowles in Tangier. Or Chelo Sastre's sterling silver earrings and pendants patterned on Miró's art and approved by his family.

There is also Joaquín Berao's latest sleek offering based on the icy forms seen on his trip in 1998 to the Paine national park in Chile.

"They brought art into the design of jewelry. Some are pieces like sculpture," said Linda Heras, an American who works for the Spanish clothing designer Roberto Verino. "Some are exaggerated. The necklaces are big. But it's wearable."

And it is increasingly available outside Spain, at boutiques, museum gift shops, even department stores. The prices range from about \$27 to \$6,700.

Berao, 33, and Sastre, 54, are the veterans of the movement.

Beres, 41, has perhaps dabbled in the most sidelines, such as oversized wool carpets and black damascene vessels. There are also relative newcomers, like Helena Rohner, 31, who produces two jewelry collections a year to keep pace with clothing designers.

Berao started at age 15 in his brother-in-law's jewelry workshop in Madrid. But like the other vanguard designers here, he traveled abroad extensively in his formative twenties, and charted an unorthodox course.

"Traditional jewelry never breaks out. It's always the same," Berao said. "I try to break out and give more feeling and soul." Berao fashioned spiral bracelets in the 1980s with titanium, long before Frank Gehry used the material to cover his Guggenheim Museum in Bilbao. But lately Berao has focused on gold and silver — somewhat more traditional, he concedes — yet with his special volumes, like weighty rings, or nature themes.

A \$180 pendant features a single, almond-like silver lobe, to

reflect the purity of the ice in the Paine park. There is also a version with three lobes, adjustable to fit the wearer's mood.

Another recent Berao collection was based on the Irati beech forest in northern Spain, and it includes a \$233 silver pendant with flower-like petals that can be held closely together or separated along the silk cord.

Perhaps the most commercially established of his group, Berao had sales last year of about \$1.7 million and he plans to double that within five years.

Sastre, of Barcelona, lived with Miró's grandson, the poet David Miró, until his death in 1991. The Miró family then asked her to create jewelry based on the artist's work, such as his characteristic curvy moons.

The collection of sterling silver pendants, earrings and pins debuted in 1993 for the centennial of his birth and the items still sell, ranging from \$45 to \$150.

Sastre has come a long way from her provocative jewelry in the 1970s meant to be worn on the breast, which women tended to use under see-through blouses. Her latest collection is "Series 2000," in which many of the silver pieces have holes of one sort or another, she said. "To go from one century to the next."

Chus Bures, a Barcelona native, began designing clothing accessories in the early 1980s in Madrid but gained fame for creating the sterling silver hair pin, with three sharp prongs, that the leading lady in Pedro Almodóvar's 1986 film, "Matahor," used to kill her lovers. The item still sells, for about \$145.

Bures has since made collections based on Federico García Lorca sketches, in time for the centennial last year of the poet's birth, or another based on Thailand.

He called the latter series "TG-943," for the Thai Airways

flight number from Madrid to Bangkok that Bures rode a few years ago to study traditional arts there.

A \$1,250 silver necklace in the collection has kind of a knit pattern, as delicate as rice puffs.

"My clients, whether 18 or 80, have something in common — culture," Bures said. "The taste for history, for art."

Bures's newest collection of jewelry, carpets and objects based on old Moroccan crafts has won praise even from Bowles, whom Bures said he visited in Tangier late last year, securing permission to use the elderly author's tape-recorded endorsement that was dictated to an aide.

"Chus Bures . . . takes what exists in Morocco and transforms it for the contemporary world," Bowles was quoted as saying. "I would say that more people like him are needed to expand knowledge and open the view."

**T**HE COLLECTION includes a \$1,065 handmade silver "Mbabek" necklace of chainlike, layered rings. Rohner, in keeping with her up-and-coming status, has her headquarters in Madrid's historic Hapsburg district, unlike the more upscale Madrid and Barcelona addresses of her older predecessors in the jewelry vanguard.

Swiss on her father's side and Spanish by her Canary Islands mother, Rohner earned an international relations degree at the London School of Economics and then plunged into jewelry.

She said she prefers to design small pieces, in keeping with her petite size. She uses such combinations as the coolness of silver and the warmth of a rich tropical wood, like rosewood, to fashion a \$213 necklace, or a bangle of silver, ebony and olive, for \$145.

"I generally design for myself, what I would wear," Rohner said. "I don't want it to be inaccessible, but to complement."

**AL GOODMAN** reports for The New York Times from Spain.

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COURTESY OF VOGUE ITALIA



## SPORTS

# Lakers Send Clippers To 17th Straight Loss

**Defeat Ties Record for Worst Season Opening**

By Lonnie White  
Los Angeles Times Service

**ENGLEWOOD, California** — After falling short of the mark five seasons ago, the Los Angeles Clippers finally earned a spot in the NBA record book for consecutive losses to begin a season.

Although the Los Angeles Lakers did their best to spoil the moment by playing down to the level of their crosstown

of the trade earlier in the day of Eddie Jones and Elden Campbell to the Charlotte Hornets for Glen Rice and J.R. Reid (who were not at the game) and B.J. Armstrong (who was waived after the trade), the Lakers won the hard way.

Dennis Rodman played only seven minutes before being thrown out in the third quarter. Rodman, who had six rebounds, was not in the game at the time and had his warm-up top on, but said one too many words to an official, who had already called a technical on Rodman in the first half.

The play of the Lakers was so ugly that Forum fans sarcastically chanted "Eddie, Eddie, Eddie" in tribute to Jones.

The Clippers, who lost 16 in a row to open the 1994-95 season, are tied with Miami for the league record, set in 1988-89, the Heat's first season.

If there ever was a game for the Clippers to win, their final meeting against the Lakers this season was the one. Not only did they catch the Lakers short-handed and playing their most lethargic game since Kurt Rambis took over as coach eight games ago, but they also held a double-digit lead for the first time this year.

"We stayed with them for three quarters and then we fell apart," said Maurice Taylor, a Clipper forward. "It really doesn't anger me. It just disappoints me. We haven't been able to play the kind of basketball we know we are able to play."

If Shaquille O'Neal had not shown up, Taylor may have been celebrating. O'Neal played 34 minutes and had a game-high 31 points and 13 rebounds. Playing with a limited roster because

of the trade earlier in the day of Eddie Jones and Elden Campbell to the Charlotte Hornets for Glen Rice and J.R. Reid (who were not at the game) and B.J. Armstrong (who was waived after the trade), the Lakers won the hard way.

Triggered by a lucky three-point basket by Robert Horry, who was attempting a lob pass to O'Neal under the basket, the Lakers outscored the Clippers, 47-25, over the game's final 18 minutes.

In other games, *The Associated Press* reported:

**76ers 85, Hornets 70** In Philadelphia, Allen Iverson had 25 points, seven assists and five steals as the 76ers beat a Charlotte team that dressed only nine players because of the trade with the Lakers.

**Wizards 87, Pistons 87** Juwan Howard had 22 points and 11 rebounds as Washington beat visiting Detroit.

**Pacers 83, Nets 82** In Indianapolis, Rik Smits led Indiana with 20 points and New Jersey went nearly eight minutes in the second half without a field goal as the Nets suffered their fifth straight loss and 11th setback in 12 games.



Shaquille O'Neal, the Los Angeles Lakers' center, swatting away a shot by Michael Olowokandi, the rookie center for the Los Angeles Clippers. (AP Wirephoto)

**Hawks 88, Hornets 70** Tim Hardaway scored six of his 21 points during a decisive 16-2 run at the beginning of the third quarter to carry Miami. The Heat gained their eighth consecutive victory at home.

**Bucks 101, Sonics 91** In Milwaukee, Glenn Robinson scored 22 points as the Bucks gave their coach, George Karl, a victory over his former team.

**Cavaliers 86, Suns 73** Shawn Kemp scored 18 points and Cedric Henderson got all 14 of his points in the second half as Cleveland won in Phoenix.

## Oklahoma State Upends Syracuse as Tourney Opens

Compiled by Our Staff From Dispatches

**INDIANAPOLIS** — Desmond Mason scored 28 points and Adrian Peterson added 21 to lead ninth-seeded Oklahoma State to a 69-61 victory over eighth-seeded Syracuse in the first round of the NCAA basketball tournament Thursday.

Peterson, who matched his career-high of five 3-pointers, hit his first two shots behind the arc to put his team ahead, 6-0, in the South Regional con-

test. Syracuse, hurt by cold shooting from the free-throw line late in the game, caught the Cowboys only once at 57-57. Joe Adkins then hit a 3-pointer to put the Cowboys (27-14) ahead to stay.

In the second round on Saturday, Oklahoma State will play the winner of No. 1 Auburn vs. No. 16 Winthrop.

Eian Thomas, who led the Orangemen with 21 points, missed three-of-five attempts from the foul line in the final

3:32. Oklahoma State, meanwhile, made its crucial foul shots. Glendon Alexander and Mason hit both ends of a bonus opportunity in the final minute.

Syracuse (21-12) started cold, hitting just five of its first 19 attempts from the field. The Orangemen were able to stay in the game with the help of 12 Oklahoma State turnovers in the first half and trailed 33-30 at the break.

Jason Hart scored 17 for Syracuse.

## DiMaggio Is Eulogized in Private Ceremony

The Associated Press

**SAN FRANCISCO** — Joe DiMaggio, the New York Yankee great whose baseball skills and marriage to Marilyn Monroe helped make him an American icon, was eulogized Thursday by his brother, Dominick, at Saint Peter & Paul Church in a private funeral mass.

Seized limousines pulled up to the church at about 10 A.M. under a sunny sky, bringing about 50 family members and friends to the service. Bud Selig, the U.S. baseball commissioner, was among the mourners. Six pallbearers, including DiMaggio's estranged son, Joseph Paul DiMaggio Jr., carried the brown casket covered with white

flowers into the church. The services lasted just over an hour. When DiMaggio's casket was carried outside to a waiting hearse, a crowd of about 200 onlookers applauded.

The church, whose twin steeples tower over the North Beach neighborhood in which DiMaggio spent most of his childhood, was closed to the public as the Reverend Armand Olivedi led the service for DiMaggio.

The 79-year-old priest, who had known DiMaggio since the two grew up together, said the service was a regular funeral Mass, including Psalm 23 as well as readings from both the Old and New testaments.

The funeral procession was set to pass DiMaggio's former home on Beach Street on its way to Holy Cross Cemetery in nearby Colma.

Joe Jr., who had not talked with his dad in two years, was DiMaggio's only child. His mother was Dorothy Arnold, whom DiMaggio divorced in 1943. DiMaggio wed Monroe in 1954, and they divorced later that year.

Morris Engelberg, DiMaggio's close friend and attorney, said DiMaggio had wanted a private religious service and that his family was determined to follow his wishes. That meant excluding people such as the Yankees' owner, George Steinbrenner.

**Iowa 77, Alabama-Birmingham 64** Jess Settles scored 17 points and Iowa hit 10 of its first 12 3-point shots as the Hawkeyes beat Alabama-Birmingham in the first round of the NCAA tournament West Regional in Denver.

**Iowa 19-9, the No. 5 seed, advances to play Saturday against the winner of the Siena-Arkansas game.**

The victory extended, at least for one more game, the Iowa coaching career of Tom Davis, who has led the Hawkeyes to nine NCAA tournaments in 13 seasons. Davis was told last year that his contract would not be renewed after this season.

**Alabama-Birmingham (20-12) never led, but the 12th-seeded Blazers made several runs in the second half behind the scoring of Fred Williams and DeWayne Brown. Williams finished with 26 points and 14 rebounds and Brown scored 16.**

Back-to-back 3-pointers by Damon Cobb within a 27-second span got Alabama-Birmingham within 54-53 with 7:44 left.

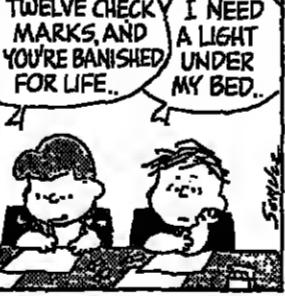
**Marshall 82, Valparaiso 60** Maryland, among the favorites to reach the Final Four, defeated Valparaiso in Orlando, Florida, in a first-round South Regional game.

The Terrapins got 17 points from the guard Steve Francis. They advanced to face the winner of a later game Thursday between Creighton and Louisville.

(AP/Bloomberg)

### DENNIS THE MENACE

### PEANUTS

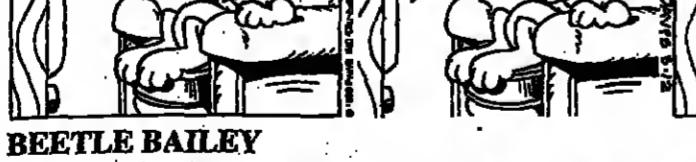


### CALVIN AND HOBBES



### JUMBLE

### GARFIELD



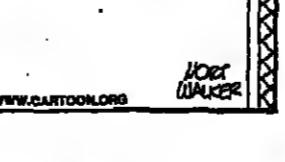
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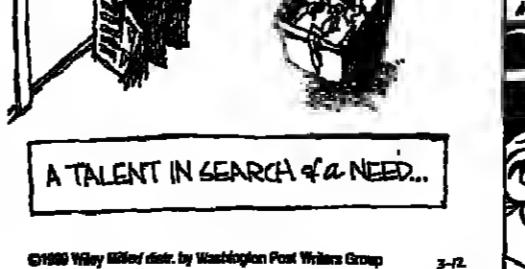
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## It's Madness to Believe NCAA Players Graduate

By Ira Berkow  
New York Times Service

**NEW YORK** — March Madness is a catchy, alliterative phrase designed to draw attention — preferably punnily — to the National Collegiate Athletic Association's Division I men's basketball tournament, which began Thursday at eight sites around the United States.

I don't recall it being called March Madness until a handful of years ago, when it became a big-time attraction on television, having swelled from a dozen or so teams to 64, a tournament big enough to choke a horse.

Part of the madness — which is actually pretty sane for the TV network, the organizers and the schools, since

### VANTAGE POINT

they stand to make millions of dollars from it — is demonstrated by the TV cameras focusing on some of the brilliant students in the crowd who look as if they've had buckets of paint, in two and three colors, spilled on their heads. Added madness is the brassy bands in the arenas playing deafeningly loud.

And then there is the basketball itself, invariably a wonderful show. The Cinderella teams, the buzzer-beaters, the Clash of Titans, etc. But for all this, there is a level of suspended disbelief that is necessary to these nutty pleasures. One would like to believe, for instance, that all of these basketball players are also true students, struggling with their calculus.

The sad fact is that college basketball players have lower graduation rates than most students. And the black basketball players fare worse than the white basketball players.

In the latest annual survey by the NCAA, compiled in November, male basketball players continued to graduate at rates far lower than other students. "For the eighth consecutive year," wrote the Chronicle of Higher Education, "the rate of Division I male basketball players was far below the rate for all male students at those institutions, which in 1997 was 53 percent."

The association found that only 41 percent of men's basketball players who entered college in 1991 had graduated

within six years, down from 45 percent the year before and the second-poorest showing since the association began its graduation-rate survey.

White male basketball players graduated at a rate of 47 percent — their lowest total in the NCAA graduation-rate survey — compared with the overall graduation rate for white male students of 56 percent. The graduation rate of black male players fell to 37 percent in 1997 from 39 percent in 1996.

Emerge, a black-oriented magazine, has a "Bottom 50" listing that names the 50 worst Division I schools in regard to graduation rates for both blacks and whites. Several of this year's glorious March Madness schools are on it, including James Madison, Ohio State, Syracuse and Cincinnati, all of whom have graduated no black players for at least five years. And while the first three of these schools graduated 67 percent of their white players, Cincinnati was an equal-opportunity school in having graduated no white players, either.

"The statistics aren't good, and it's a dilemma," said Kenneth (Buzz) Shaw, chancellor of Syracuse University and chairman of an NCAA group that is studying basketball issues at Division I colleges. "We're working on it and hope to help improve it."

Meanwhile, here comes March Madness, that annual assault on the senses, wherein for some three weeks we gaily suspend disbelief and then return to sober reality.

### MINNESOTA SUSPENDS 4 PLAYERS

University of Minnesota officials declared four basketball players ineligible to play, hours before the school's first-round game against Gonzaga College in the NCAA tournament, saying there was evidence to support allegations of academic fraud against them. The Associated Press reported from Minneapolis.

The four players declared ineligible for the game were Kevin Clark, Miles Tarver, Antoine Broxsie and Jason Stanford. Tarver and Clark are starters.

A former university employee said she wrote papers, helped with take-home exams and did other course work for players from 1993 to 1998.

## 10 Years On, Princeton Gets Its Revenge on Georgetown

The Associated Press

so tall, you have to keep battling in there and you always have to make sure you have a body on someone."

In

1989, 16th-seeded Princeton almost pulled off the biggest upset in NCAA tournament history before losing to top-seeded Georgetown by one point. This time, the Tigers (21-7) were favored over the visiting Hoyas (15-16), who finished with their first losing record since 1973.

All five Princeton starters played the entire game, while Georgetown substituted freely. Princeton's coach, Bill Carmody, said the scheduled television time-outs helped keep his team fresh.

"I didn't go in thinking about playing the starters all game," Carmody said. "But you get 2½-minute breaks every four minutes, so nobody should really get tired."

## POSTCARD

## Cook Your Wine, Sir?

By William Grimes  
New York Times Service

**N**EW YORK — A new question is creeping into wine service in New York: How do you want that cooked?

For many years, Americans have confounded the rest of the world by drinking their white wines too cold and their red wines too warm. Sommeliers no longer hesitate when diners ask that the vicious Corton-Charlemagne be plunged into an ice bucket. They just do it. It's easy.

Red wine poses a different problem since it often arrives at the table with a slight chill. If the diners want their wine the temperature of a blood transfusion, and fast, the sommelier must resort to tiles, and the wildest wile of all, it turns out, is the microwave oven.

Sometimes it's the customer, sometimes it's the hard-pressed sommelier who makes the decision to go ou-tastic. But it happens.

"There is no way any sommelier is going to admit to doing it," said Dan Perlman, wine director at Veritas. "They'll say, 'I've heard of it, I like it just did. I'm in the clear, though, because we don't have a microwave.'

The practice is by no means widespread, or even widely known, but it is something that happens at even the top restaurants. Alexis Ganter, wine director at City Wine and Cigar, reacted with stunned silence when informed about the microwave trick. Then he let out a long, shuddering sigh and moaned, "Oh my God."

Like other members of the "wine is a living thing" school, Ganter expressed deep fear of this new technological breakthrough. Others showed a native American willingness to at least experiment.

The same sommeliers who shrink before the microwave do not mind employing all sorts of countermechanical tricks, like running a decanter under warm water before pouring the wine in, replacing glasses on the table with ones that have just come out of the dishwasher, or even putting the bottle in the dishwasher.

Perlman of Veritas has a lot

of stories. There's the customer who wanted the Champagne decanted, to get rid of those annoying bubbles, and one who wanted to add fruit juice to his Mouton-Rothschild to make a sangria. Perlman suggested a more modest red. The customer said no. He wanted a good sangria.

"You get a sick feeling in

the pit of your stomach, but you do these things," Perlman said. "After all, the customer is paying for the bottle."

## PEOPLE

**T**HE rapper ODB has been jailed after pleading not guilty to a charge of violating a new California law that prohibits violent felons from wearing body armor. The singer for the group Wu-Tang Clan declared himself unable to post \$115,000 bail Wednesday. Jones was pulled over for driving erratically in Hollywood on Feb. 16, and police arrested him after discovering he was wearing a bulletproof vest — a violation in light of his previous arrests. At the Los Angeles hearing, a prosecutor suggested that ODB was the head of a street gang called the Wu-Tang Clan. "I think that is a musical group," Judge Kevin Brown said. "I have three children. That's why I know that." Jones was convicted of second-degree assault in 1993, and is awaiting trial on other charges.

The media mogul Ted Turner and

## Grant to Children's Book Author Is Replaced

New York Times Service

**W**Ashington — An American foundation has announced that it will provide money to replace a National Endowment for the Arts grant that was canceled when the endowment chairman learned that it was for a children's book written by a Mexican guerrilla leader.

J. Patrick Lannan Jr., president of the J. Patrick Lannan Foundation, said it would give \$15,000 to subsidize the printing of an English translation of a Spanish book, "The Story of Color," by the rebel leader Subcomandante Marcos. The chairman of the arts endowment, William Ivey, canceled the grant Tuesday when told of it by a reporter. Ivey said he was worried that some of the endowment money might find its way to the Zapatista guerrillas in Chiapas.

In 1989, the foundation, named for a late Chicago executive, gave \$35,000 to the Washington Project for the Arts for a show of homoerotic photographs by Robert Mapplethorpe that the Corcoran Museum of Art had canceled. The Corcoran show also had received some money from the endowment. The book is a folk tale about Mexican gods who fill a gray world with brilliant color.

June had sold the British rights to Transworld for £500,000 to £550,000. The American rights were reported to have been sold for a slightly lower figure.

his wife, Jane Fonda, were fined \$600 for landing in Argentina without passports, an immigration official said Wednesday. Turner and Fonda simply forgot their travel documents when they left the United States, an immigration spokesman said in the southwestern city

of Bariloche. He said that the couple arrived aboard a private jet and that Argentine authorities allowed them to enter the country through an "exceptional authorization" clause under current immigration law.

The Italian architect Renzo Piano has been picked to design an addition to the Art Institute of Chicago to be completed by 2005. After an 18-month worldwide search, the institute announced late Tuesday that Piano, who last year won the Pritzker Prize, was its choice to develop a plan for additional galleries and a new garden.

Cher's ex-manager is suing her for unspecified damages, alleging that he had a deal to receive 15 percent of the profits of her hit album "Believe." Bill Sammons said in a lawsuit filed in Los Angeles that he was fired as her manager without explanation just days before she sang the national anthem at the Super Bowl.



INSPIRATION — Richard Gere posing with a Tibetan nun in Dharamsala, India, on Thursday after a teaching session with the Dalai Lama.



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